

-----X
UNITED STATES OF AMERICA, . Criminal Action No.
. 1:18-CR-83
versus .
. .
PAUL J. MANAFORT, JR., .
. August 8, 2018
Defendant. . Volume VII-A.M.
-----X

Anneliese J. Thomson OCR-USDC/EDVA (703)299-8595

1 APPEARANCES: (Cont'd.)

2 FOR THE DEFENDANT:

KEVIN M. DOWNING, ESQ.
Law Office of Kevin M. Downing
601 New Jersey Avenue, N.W.
Suite 620

4 Washington, D.C. 20001

and

5 RICHARD W. WESTLING, ESQ.
Epstein, Becker & Green, P.C.
6 1227 25th Street, N.W.
Washington, D.C. 20037

7 OFFICIAL COURT REPORTER:

8 ANNELIESE J. THOMSON, RDR, CRR
U.S. District Court, Fifth Floor
401 Courthouse Square
9 Alexandria, VA 22314
(703)299-8595

INDEXWITNESSEXAMINATIONPAGE

RICHARD GATES (Resumed)

CROSS 1453

REDIRECT 1459

RECROSS 1502

MORGAN MAGIONOS

DIRECT 1537

E X H I B I T S

Defendant's Exhibit No. 17 was received 1484

Government Exhibit Nos. 66A, 66C, 66D, 66E, 66G,
67B, and 67C were received 1542

Government Exhibit No. 63 was received 1546

Government Exhibit Nos. 447A thru 447Q and 456
were received 1549

1 P R O C E E D I N G S

2 (Defendant present, Jury out.)

3 THE COURT: All right. This is U.S. against Paul
4 Manafort. It's 18-CR-83. The record will reflect that counsel
5 and the defendant are present and prepared to proceed.

6 Let's see. We were in the midst of your
7 cross-examination?

8 MR. DOWNING: We're almost done, Your Honor.

9 THE COURT: All right. Let's bring the jury in.
10 I'll ask you in front of the jury how much more you have, and
11 then I'll ask you how much you have by way of redirect.

12 Can you give me the news now?

13 (Laughter.)

14 THE COURT: That will save -- that will save me from
15 grimacing or some other facial -- go ahead, sir.

16 MR. ANDRES: I would say less than 30 minutes, Your
17 Honor.

18 THE COURT: Ah. Maybe you want that.

19 (Laughter.)

20 THE COURT: All right. You may bring the jury in.
21 Thank you, Mr. Andres.

22 THE COURT SECURITY OFFICER: One of them is
23 indisposed.

24 (Jury present.)

25 THE COURT: All right. You may be seated.

1 Good morning, ladies and gentlemen. As always, we
2 will commence the day with the calling of the roll by numbers.

3 THE CLERK: Ladies and gentlemen, as I call your
4 number, please answer "present" or "here."

5 Juror 0008.

6 THE JUROR: Present.

7 THE CLERK: Juror 0037.

8 THE JUROR: Present.

9 THE CLERK: Juror 0276.

10 THE JUROR: Present.

11 THE CLERK: Juror 0017.

12 THE JUROR: Present.

13 THE CLERK: Juror 0145.

14 THE JUROR: Present.

15 THE CLERK: Juror 0115.

16 THE JUROR: Present.

17 THE CLERK: Juror 0082.

18 THE JUROR: Present.

19 THE CLERK: Juror 0009.

20 THE JUROR: Present.

21 THE CLERK: Juror 0299.

22 THE JUROR: Present.

23 THE CLERK: Juror 0091.

24 THE JUROR: Present.

25 THE CLERK: Juror 0302.

1 THE JUROR: Present.

2 THE CLERK: Juror 0060.

3 THE JUROR: Present.

4 THE CLERK: Juror 0296.

5 THE JUROR: Present.

6 THE CLERK: Juror 0054.

7 THE JUROR: Present.

8 THE CLERK: Juror 0127.

9 THE JUROR: Present.

10 THE CLERK: And 0133.

11 THE JUROR: Present.

12 THE COURT: All right. Good morning, again, ladies
13 and gentlemen, and let me begin again by asking you to confirm
14 to me that you were successful in following the Court's
15 instructions to refrain from discussing the matter among
16 yourselves or with anyone or undertaking any investigation.

17 THE JURORS: Yes, Your Honor.

18 THE COURT: Thank you.

19 All right. We're in the midst of the
20 cross-examination of Mr. Gates, and, Mr. Downing, your estimate
21 of how much more, I think, was about a half an hour or 45
22 minutes?

23 MR. DOWNING: I think I might even get down to
24 15 minutes, Your Honor.

25 THE COURT: All right. And, Mr. Andres, your

Gates - Cross

1453

1 prediction as to how much redirect you would have was?

2 MR. ANDRES: Less than a half-hour, Your Honor.

3 THE COURT: Less than a half-hour, good.

4 All right. Bring Mr. Gates in, please.

5 RICHARD GATES, GOVERNMENT'S WITNESS, PREVIOUSLY SWORN, RESUMED

6 THE COURT: Mr. Gates, you'll recall, sir, you remain
7 under oath. You may resume the stand.

8 THE WITNESS: Thank you.

9 CROSS-EXAMINATION (Cont'd.)

10 BY MR. DOWNING:

11 Q. Good morning, Mr. Gates.

12 THE COURT: All right. Mr. Downing, you may proceed
13 and I'll give you some latitude for continuity purposes.

14 MR. DOWNING: Thank you, Your Honor.

15 BY MR. DOWNING:

16 Q. Mr. Gates, on direct examination from the Government, you
17 were asked some questions about an interview that you gave in
18 July of 2014. Do you remember that?

19 A. I do.

20 Q. And it was an interview with FBI agents, correct?

21 A. Yes.

22 Q. And at that interview were also lawyers from the
23 Department of Justice, correct?

24 A. That is correct.

25 Q. And you were brought into that interview to discuss

Gates - Cross

1454

1 payments that had come out of the Ukraine into DMP's offshore
2 accounts; is that correct?

3 A. Yes, that was one of the topics.

4 Q. And overall, the investigation you were told was about
5 monies that Mr. Yanukovych may have inappropriately taken out
6 of the Country of Ukraine; is that correct?

7 A. That was what was described to us, yes.

8 Q. And both you and Mr. Manafort met with the FBI; is that
9 correct?

10 A. Yes.

11 Q. And both you and Mr. Manafort disclosed to the FBI the
12 offshore accounts in Cyprus that we've been discussing,
13 correct?

14 A. I don't know what was in Mr. Manafort's interview, but I
15 did disclose some of the accounts, yes.

16 Q. And you also disclosed that there were also accounts in
17 St. Vincent's and the Grenadines, correct?

18 A. I believe so, yes.

19 Q. And this interview took place in July of 2014?

20 A. Yes.

21 Q. And when you met with Mr. Manafort, before having this
22 interview, did Mr. Manafort tell you that you should disclose
23 the activity in the Cypriot accounts?

24 A. He indicated that we should be open and provide the
25 information about the questions that were asked of us.

Gates - Cross

1455

1 Q. So I'm going to ask you to take a look at what's been
2 marked Defendant's Exhibit 22.

3 And if you could turn in to Page 3? And take a
4 minute and read through that.

5 THE COURT: This is a number of pages. Do you want
6 him to read the whole thing?

7 MR. DOWNING: I asked him to pay attention to Page 3,
8 Your Honor.

9 THE COURT: All right.

10 BY MR. DOWNING:

11 Q. And the first two paragraphs on Page 4, please, Mr. Gates.

12 A. Okay. Okay.

13 Q. So, Mr. Gates, as part of the FBI interview, you had
14 disclosed that DMP and Mr. Manafort had been hired as
15 consultants to assist in campaigns in the Ukraine, correct?

16 A. That is correct.

17 Q. And you also disclosed that payments that came into
18 accounts that were set up in Cyprus were for the offshore
19 consulting in the Ukraine; is that correct?

20 A. Yes.

21 Q. And you also disclosed to the FBI that you had been told
22 or Mr. Manafort had been told to open accounts in Cyprus for
23 the ease of payment from the Ukraine; is that correct?

24 A. Yes, that was one of the reasons.

25 Q. And you also indicated that invoices -- you had prepared

Gates - Cross

1456

1 invoices for campaign assistance that were also paid into the
2 accounts that were held in Cyprus by DMP International,
3 correct?

4 A. That is correct.

5 Q. And you identified accounts such as Lucicle, correct?

6 A. Yes.

7 Q. You identified Bletilla Ventures?

8 A. Yes.

9 Q. You identified Leviathan Advisors?

10 A. Yes.

11 Q. Yiakora was also identified by you?

12 A. Yes.

13 Q. And LOAV, correct?

14 A. Yes.

15 Q. And all of these -- you also identified Global Endeavours
16 as something that was set up in St. Vincent's, correct?

17 A. Yes. The entity itself was set up in Cyprus. The bank
18 account was in the Grenadines.

19 Q. So you and Mr. Manafort agreed to be open and truthful
20 about the activities in Cyprus and in the Ukraine, correct?

21 A. Yes.

22 Q. And you felt that the interview you gave in 2014 was a
23 truthful interview about the operations of DMP in the Ukraine
24 and in Cyprus, didn't you?

25 A. Yes.

Gates - Cross

1457

1 Q. Did you have occasion to talk to Mr. Manafort after your
2 interview?

3 A. I did.

4 Q. And after his interview?

5 A. Yes.

6 Q. And did he indicate to you that he was also truthful with
7 the FBI in his interview?

8 A. To the extent of my recollection, yes.

9 Q. Now, there were some questions of you about some loans and
10 the activities in acquiring loans in the 2015-2016 time frame?

11 A. Yes.

12 Q. Do you recall that?

13 And there were -- there were some questions of you
14 about decreasing income and DMP International's activities; is
15 that correct?

16 A. Yes.

17 Q. And that a lot of the campaigns had been done and were
18 finished; is that correct?

19 A. Yes. The last campaign was October of 2014.

20 Q. Now, I believe you --

21 THE COURT: I'm sorry. I didn't hear that.

22 THE WITNESS: Oh, sorry, Your Honor. The last
23 campaign was in October of 2014.

24 THE COURT: Next question.

25 BY MR. DOWNING:

Gates - Cross

1458

1 Q. I believe you also testified that there was some
2 outstanding monies that were due to DMP for one of the
3 campaigns that DMP ran?

4 A. For the last campaign, correct.

5 Q. And who was the gentleman, Porochnik? Poroshenko, is that
6 right?

7 A. The outstanding amount was related to the Opposition Bloc.

8 Q. The Opposition Bloc?

9 A. It was a parliamentary election.

10 Q. Thank you. And the outstanding amount was approximately
11 \$2.4 million?

12 A. That is correct.

13 Q. And there were efforts by Mr. Manafort and others to try
14 to collect that money; is that correct?

15 A. That is correct.

16 Q. And those efforts continued through 2016; is that correct?

17 A. Yes.

18 Q. And with respect to Mr. Manafort's overall financial
19 picture, were you aware in the 2015-2016 time frame, that
20 Mr. Manafort had a net worth of around \$20 million?

21 A. No. I was not privy to his personal assets.

22 Q. Did you have any idea?

23 A. I had some idea from some of the accounting statements
24 that Ms. Washkuhn had sent over, but that related more to the
25 business.

Gates - Redirect

1459

1 Q. And where would you -- if at the time you were looking at
2 these accounting records, where -- in 2015 and '16, where did
3 you think his net worth was?

4 A. Net worth, I don't know because of the value of the
5 properties. I thought somewhere in the realm of 6 to 10
6 million.

7 MR. DOWNING: No further questions.

8 THE COURT: Any redirect?

9 MR. ANDRES: Yes, Your Honor.

10 THE COURT: All right. You may proceed.

11 REDIRECT EXAMINATION

12 BY MR. ANDRES:

13 Q. Now, Mr. Gates, Mr. Downing asked you on cross-examination
14 about some -- about your interview with the FBI in July 2014.
15 Do you remember that?

16 A. I do.

17 Q. Okay. And at the time of that interview, did you
18 understand that you were under investigation?

19 A. I understood that we were not under investigation.

20 Q. And did you understand that Mr. Manafort was under
21 investigation?

22 A. I understood he was not under investigation either.

23 Q. And you were interviewed by FBI agents; is that correct?

24 A. We were.

25 Q. Was anyone from the IRS there?

Gates - Redirect

1460

1 A. No. I believe it was DOJ.

2 Q. Were you asked to produce your tax returns?

3 A. No.

4 Q. Was Mr. Manafort, if you know, asked to produce his tax
5 returns?

6 A. I don't know.

7 Q. Okay. At the time of the interview, were the Cypriot
8 accounts closed?

9 A. The majority of the Cypriot accounts were closed, yes.

10 Q. Okay. And at the time of the interview, had Mr. Manafort
11 asked you to take certain action?

12 A. He did.

13 Q. What did he ask you to do?

14 A. He asked me to go meet with one of the Russian -- excuse
15 me, the Ukrainian businessman and to inform him of the FBI
16 interview.

17 Q. And why did he ask you to do that?

18 A. He asked me to do that because he wanted to know more
19 information about one of the entities that was paying
20 Mr. Manafort and to understand if that entity was viewed as a
21 clean entity, meaning that it had only been used to make
22 payments to Mr. Manafort.

23 Q. And during that interview, there was a reference to
24 various of the Cypriot accounts; is that correct?

25 A. Yes.

Gates - Redirect

1461

1 Q. Do you remember the names of any of those accounts?

2 A. I do. It was similar to the names that I testified to on,
3 I guess, Monday. It was Leviathan, Bletilla, Actinet,
4 Peranova, Global Highways, Serangon, Lucicle, and then there
5 was an additional list that I provided to the FBI that day of
6 accounts that they did not have.

7 Q. Did you tell the FBI that there was hidden income in those
8 accounts?

9 A. No, I did not.

10 Q. Did you tell the FBI that you didn't -- or were you asked
11 by the FBI whether or not you identified those accounts on your
12 tax return?

13 A. I don't recall if we were.

14 Q. And do you know if Mr. Manafort was asked those questions?

15 A. No, I don't.

16 Q. And when you pled guilty in front of the judge in
17 Washington, D.C., did your guilty plea relate to those
18 accounts?

19 A. No.

20 Q. Your guilty plea to conspire --

21 A. Oh, to the Cyprus accounts?

22 Q. Yes?

23 A. Yes, I did. Sorry.

24 Q. How did your guilty plea relate to the Cyprus accounts?

25 A. The guilty plea related to the Cyprus accounts to the

Gates - Redirect

1462

1 extent that I was wiring money for Mr. Manafort from those
2 accounts and then not reporting the income in the United States
3 nor the foreign bank accounts.

4 Q. Okay. And after this FBI interview, was there any
5 follow-up?

6 A. No, there was not.

7 Q. Okay. And you weren't present during Mr. Manafort's
8 interview, were you?

9 A. I was not.

10 Q. And you're not aware -- are you aware from the details of
11 which accounts he was asked about?

12 A. I was not.

13 Q. Okay. Would you be surprised if he -- if you learned that
14 he said he only had a recollection about certain accounts?

15 A. I don't know how many accounts Mr. Manafort recalls.

16 Q. But to be clear, the subject matter of that interview was
17 the subject matter of your guilty plea in large respect?

18 A. It was, yes.

19 THE COURT: Well, what was the subject of his guilty
20 plea is recorded in the plea agreement.

21 Were you charged in the District of Columbia with --
22 how many counts?

23 THE WITNESS: I believe it was 12 counts, Your Honor.

24 THE COURT: And all of those counts with the
25 exception of the one or two that you pled guilty to, I think

Gates - Redirect

1463

1 one, were dismissed as a result of your plea; is that right?

2 THE WITNESS: I believe so.

3 THE COURT: So you pled guilty to two counts, one of
4 which was in the indictment in the District of Columbia, and
5 the other one related to conduct outside of that.

6 THE WITNESS: That is correct.

7 THE COURT: Next question.

8 BY MR. ANDRES:

9 Q. With respect to the Count 1 conspiracy against the United
10 States that you pled guilty to, did that relate to the foreign
11 Cypriot accounts?

12 A. It did.

13 Q. And did it relate to the filing of a false tax return for
14 Mr. Manafort?

15 A. It did.

16 Q. And did it relate to the filing of a false tax return as
17 it related to income?

18 A. It did.

19 Q. And was that income hidden in the accounts in Cyprus?

20 A. It was.

21 Q. And did it relate to a false filing as it related to the
22 failure to disclose foreign bank accounts?

23 A. It did.

24 Q. And did that relate to the Cypriot accounts?

25 A. Yes.

Gates - Redirect

1464

1 Q. And did you plead guilty to conspiring to fail to file
2 FBAR accounts for Mr. Manafort's foreign bank accounts?

3 A. I did.

4 Q. And did that relate to the overseas accounts in the
5 Cyprus?

6 A. They did.

7 Q. On cross-examination, Mr. Gates, you were asked about your
8 guilty plea and whether or not you made false statements to the
9 FBI. Do you remember that?

10 A. I do.

11 Q. Mr. Gates, did you make false statements to the FBI?

12 A. Only the one second count.

13 Q. And that, that was a false statement that you made to the
14 FBI?

15 THE COURT: You're leading now.

16 THE WITNESS: Oh, to the FBI? No, it was not to the
17 FBI.

18 THE COURT: This jury is not going to know what
19 question you asked. Re-ask your question.

20 MR. ANDRES: Sure. Certainly, Judge.

21 BY MR. ANDRES:

22 Q. You pled guilty to making a false statement to the FBI; is
23 that correct?

24 A. Yes.

25 Q. You were asked about that on cross-examination by

Gates - Redirect

1465

1 Mr. Downing?

2 A. Correct.

3 Q. What did you say to the FBI and the Government that was
4 false?

5 A. I indicated to them that I had been aware of a meeting
6 that Mr. Manafort attended with a United States Congressman and
7 had met with Mr. Manafort in 2016 regarding that meeting.

8 When the FBI confronted me with a document that
9 showed that Mr. Manafort had, in fact, met with the Congressman
10 and discussed a specific issue, I had not informed the FBI of
11 that, and I was under oath, and I made a mistake, and I regret
12 it.

13 Q. And that statement was false?

14 A. It was.

15 Q. You knowingly and intentionally made a false statement to
16 the FBI?

17 A. That is correct.

18 Q. As you sit here today, do you have any doubt in your mind
19 as to whether that was a false statement?

20 A. No.

21 Q. You were asked questions about your plea agreement on
22 cross-examination by Mr. Downing. Do you remember that?

23 A. Yes.

24 Q. Do you remember that Mr. Downing asked you about the
25 possibility of getting probation?

Gates - Redirect

1466

1 A. Yes.

2 Q. And do you remember that Mr. Downing asked if the terms of
3 your plea agreement let your lawyer argue that you should have
4 probation and no jail time? Do you remember that?

5 A. I do.

6 Q. And Mr. Downing asked you if such a motion would be
7 unopposed by the Special Counsel's Office? Do you remember
8 that?

9 A. Yes.

10 Q. With respect to the promises that have been made with your
11 plea agreement, are they all contained in your written plea
12 agreement?

13 A. They are.

14 Q. Okay. And you testified about your written plea agreement
15 during your direct examination; is that right?

16 A. I did.

17 Q. I'd like to ask you to turn to Government Exhibit 2F,
18 which is already in evidence.

19 MR. ANDRES: Can I publish that, Your Honor?

20 THE COURT: Yes, you may.

21 BY MR. ANDRES:

22 Q. Can you tell me what Government Exhibit 2F is?

23 A. This is a copy of my plea agreement.

24 Q. Okay. And this contains all of the promises in it from
25 the Government; is that correct?

Gates - Redirect

1467

1 A. That is correct.

2 Q. And all the promises that you made to the Government?

3 A. Yes.

4 Q. And this document was entered into the docket in the
5 District Court in Washington, D.C.; is that correct?

6 A. Yes.

7 Q. Can I ask you to turn to Paragraph 9 on Page 6?

8 A. Okay.

9 Q. On Paragraph 9, what is the title of Paragraph 9?

10 A. "Government's Obligations."

11 Q. Okay. And -- okay.

12 And Paragraph 9 starts on Page 6; is that right?

13 A. Yes, it does.

14 Q. And it continues onto Page 7?

15 A. Yes.

16 Q. Okay. With respect to the first full sentence on Page 7,
17 can you read that to the jury?

18 A. Yes. "The Government will bring to the Court's attention
19 at the time of sentencing the nature and extent of your
20 client's cooperation or lack of cooperation."

21 Q. I'm sorry, Mr. Gates, on Page 7?

22 A. Oh, sorry.

23 Q. The first full sentence that starts with "Defendant."

24 A. "Defendant will then be free to argue for any sentence
25 below the advisory Sentencing Guidelines range calculated by

Gates - Redirect

1468

1 the Probation Office, including probation."

2 Q. And read the next sentence.

3 A. "Depending on the precise nature of the defendant's
4 substantial assistance, the Office may not oppose defendant's
5 application."

6 Q. Did the, did the Government agree in this document to not
7 oppose a sentence of probation?

8 A. No, it did not.

9 Q. Okay. When Mr. Downing was questioning you on
10 cross-examination, did he show you this document?

11 A. No, he did not.

12 Q. Has the Government made any promise to you about what your
13 sentence will be?

14 A. No, it has not.

15 Q. On cross-examination, you were asked questions about your
16 stealing money or embezzlement from Mr. Manafort. Do you
17 remember that?

18 A. I do.

19 Q. Have you ever been charged with any crimes relating to
20 that money?

21 A. I have not.

22 Q. In your first indictment in Washington, were you charged
23 with any crimes?

24 A. No.

25 Q. How about here in the Eastern District of Virginia?

Gates - Redirect

1469

1 A. No.

2 Q. Did Mr. Manafort ever confront you about that?

3 A. He did not.

4 Q. As far as you understand, your understanding, how did the
5 Government know that you embezzled money from Mr. Manafort?

6 A. I told the Government that I did.

7 Q. And how did Mr. Downing know, to the best of your
8 understanding, that you -- that you embezzled money from
9 Mr. Manafort?

10 A. As I understood, Mr. Downing received the 302 reports from
11 the FBI during my interviews, so that he was able to gather the
12 information from that document.

13 Q. With respect to --

14 MR. DOWNING: Objection, Your Honor. Speculation.

15 THE COURT: That's not an objection.

16 MR. DOWNING: How would he know how I learned of this
17 fraud?

18 THE COURT: The proper way to have proceeded is when
19 he asked the question, you should have objected. He's asked
20 and answered the question, and I'm going to overrule the
21 objection.

22 But you don't know, one way or the other, how he
23 learned of it, do you?

24 THE WITNESS: I do not.

25 THE COURT: All right. That takes care of it.

Gates - Redirect

1470

1 BY MR. ANDRES:

2 Q. With respect to --

3 MR. ANDRES: May I continue, Your Honor? I'm sorry.

4 THE COURT: Yes, you may.

5 BY MR. ANDRES:

6 Q. With --

7 THE COURT: But finish.

8 BY MR. ANDRES:

9 Q. With respect to the funds that you took from Mr. Manafort,
10 how did you charge those?

11 A. When you say "charge," what do you mean?

12 Q. Did you charge them as expenses?

13 A. Yes, the majority, yes.

14 Q. Okay. And with respect to expenses, how were those paid
15 for?

16 A. The expenses, across the board for the company, for the
17 most part, were ultimately reimbursed to the Ukrainian clients.

18 Q. So Mr. Manafort wouldn't have noticed any loss in his
19 money or income because the money was passed on to --

20 THE COURT: The question is now leading.

21 BY MR. ANDRES:

22 Q. With respect to those funds, who paid for them?

23 A. The Ukrainian businessman.

24 Q. During the cross-examination, you were asked questions
25 about the FBAR filings and KWC. Do you remember that?

Gates - Redirect

1471

1 A. I do.

2 Q. And you pled guilty to -- to conspiring with Mr. Manafort
3 to fail to file FBARs; is that correct?

4 A. That is correct.

5 Q. And that related to overseas accounts?

6 A. It did.

7 Q. And what foreign countries were those accounts in?

8 A. Cyprus, the Grenadines, and one in the United Kingdom.

9 Q. And they involved bank accounts?

10 A. They did.

11 Q. Mr. Gates, did you need to -- did you need to consult with
12 an expert to know that Cyprus was a foreign country?

13 A. No.

14 Q. Did you need to consult with an expert to know that those
15 were bank accounts?

16 A. No.

17 Q. Did you need to consult with an expert to know that the
18 money Mr. Manafort earned from the income in foreign bank
19 accounts in Cyprus had to be disclosed on your tax returns?

20 A. No.

21 Q. With respect to your own conduct, you were charged with
22 respect to failing to file FBARs for your own accounts as well;
23 is that correct?

24 A. That is correct.

25 Q. And where were those accounts located?

Gates - Redirect

1472

1 A. United Kingdom.

2 Q. Did you consult with an expert to know that the United
3 Kingdom was a foreign country?

4 A. No, I did not.

5 Q. And did you consult with an expert --

6 THE COURT: This is all irrelevant to this case.

7 MR. ANDRES: He was asked -- I'm sorry. Your Honor,
8 I'll move on.

9 THE COURT: Yes, you will.

10 BY MR. ANDRES:

11 Q. With respect to EVO Holdings, you were asked questions
12 about EVO Holdings on cross-examination. Do you remember that?

13 A. I do.

14 Q. Can you explain to the jury what EVO Holdings is?

15 A. EVO Holdings is a Cyprus-based company that was set up to
16 hold an asset that was purchased through Mr. Manafort's private
17 equity fund.

18 Q. Okay. Were there any bank accounts related to EVO
19 Holdings?

20 A. There was.

21 Q. What bank accounts?

22 A. It was an EVO Holdings bank account in Cyprus.

23 Q. Okay. During the discussion about the EVO Holdings
24 issues, there were communications with Mr. Manafort's tax
25 accountants; is that right?

Gates - Redirect

1473

1 A. Correct.

2 Q. The accountants at KWC?

3 A. Yes.

4 Q. And Mr. Downing asked you about that on cross-examination?

5 A. He did.

6 Q. Okay. During the discussion about EVO Holdings, did
7 anyone disclose to the tax accountants or the tax preparers
8 that there was a foreign bank account related to EVO Holdings?

9 A. No. The only piece of information that was disclosed was
10 that there were foreign shares.

11 Q. And at any time during the time that you worked on
12 Mr. Manafort's taxes, did either you or Mr. Manafort disclose
13 to the tax preparers that there were foreign accounts?

14 A. No.

15 Q. And if you give false information, Mr. Gates, to tax
16 preparers, can you expect appropriate advice?

17 A. No.

18 Q. You were asked questions on cross-examination about your
19 trial preparation. Do you remember that?

20 A. I do.

21 Q. Mr. Downing asked you if anyone from the Special Counsel's
22 office told you how to answer any questions; is that right?

23 A. Yes.

24 Q. Were you told how to answer any questions?

25 A. The only answer I was told is to tell the truth.

Gates - Redirect

1474

1 Q. You were shown a series of exhibits by Mr. Manafort -- I'm
2 sorry -- by Mr. Downing. Do you remember that?

3 A. Yes.

4 Q. You were shown Defense Exhibit 14.

5 A. Yes.

6 Q. Do you have that up there?

7 A. I do.

8 Q. What does that relate to, Defense Exhibit 14?

9 A. It relates to a wire transfer request from one of the
10 offshore accounts.

11 Q. And for what account?

12 A. Global Endeavour.

13 Q. Who set up Global Endeavour?

14 A. Our lawyers in Cyprus.

15 Q. Who specifically?

16 A. At the direction of Mr. Manafort.

17 Q. And what money was included in the Global Endeavor
18 account?

19 A. Funds from the Ukrainian political elections.

20 Q. And that's a foreign bank account; is that right?

21 A. That's correct.

22 Q. And Mr. Manafort had money in it?

23 A. He did.

24 Q. Did he disclose that on his taxes?

25 A. To my knowledge, no.

Gates - Redirect

1475

1 Q. And that's what you pled guilty to as part of the Count 1
2 conspiracy; is that correct?

3 A. That is correct.

4 Q. Can you look at Government Exhibit -- I'm sorry -- Defense
5 Exhibit 15?

6 THE COURT: And avoid leading.

7 MR. ANDRES: Yes, sir.

8 THE WITNESS: Okay.

9 BY MR. ANDRES:

10 Q. What is Defense Exhibit 15?

11 A. It's another wire request form for an offshore account.

12 Q. What offshore account?

13 A. Again, it's Global Endeavour.

14 Q. And who set up Global Endeavour?

15 A. It was at the direction of Mr. Manafort.

16 THE COURT: He didn't ask you whose direction. He
17 asked: Who set it up?

18 THE WITNESS: Okay. The Cypriot attorneys set it up.

19 THE COURT: Next question.

20 BY MR. ANDRES:

21 Q. And what funds were included in that?

22 A. Funds from the work from political campaigns.

23 Q. Okay. Do you have Defense Exhibit 17 there as well?

24 A. No.

25 Q. It's a chart.

Gates - Redirect

1476

1 A. No, I do not.

2 MR. ANDRES: Do you have it, 17? Oh, it's right
3 here. Can I use that?

4 MR. DOWNING: Yeah, sure.

5 MR. ANDRES: Okay. Mr. Flood, can I ask you --

6 MR. DOWNING: Your Honor, we don't object to
7 Defendant's Exhibit 17 being admitted into evidence at this
8 time.

9 MR. ANDRES: It's not admitted, Your Honor. We're
10 not asking to admit it.

11 THE COURT: You don't want to admit it?

12 MR. ANDRES: No, I'm not asking to admit it.

13 MR. DOWNING: Your Honor, we would move it in as a
14 1006 summary that's been authenticated as accurate by the
15 United States Government.

16 THE COURT: All right. I think I've heard a 1006
17 argument in another context. Do you oppose its admission?

18 MR. ANDRES: Your Honor --

19 THE COURT: I'm just asking. Yes or no?

20 MR. ANDRES: Yes. It's not complete.

21 THE COURT: All right.

22 MR. DOWNING: Your Honor, I believe that is an
23 inaccurate representation by the United States Government.
24 That came directly out of a charging instrument that this
25 Government returned in this district. That's what this is.

Gates - Redirect

1477

1 It's a copy of that. It is definitely complete.

2 MR. ANDRES: Your Honor, I'm happy to respond or come
3 to the sidebar, whatever Your Honor pleases.

4 THE COURT: You do want to use this document?

5 MR. ANDRES: I'm going to use it in the same way
6 defense did, by asking the defense -- the witness to look at
7 it. But --

8 THE COURT: All right.

9 MR. ANDRES: -- this is a copy of the --

10 THE COURT: But they're now offering -- they're going
11 to offer it, so I'll have to consider whether I admit it, and
12 the allegation -- I'll have you come to the bench, but the
13 allegation is that the document came from the Government, was
14 attached to a charging document.

15 Come to the bench.

16 (Bench conference on the record.)

17 THE COURT: Mr. Downing, where do you think the
18 document came from?

19 MR. DOWNING: This is a line-by-line copy of what was
20 contained in the indictment that was returned here in the
21 Eastern District of Virginia.

22 THE COURT: This exact document --

23 MR. DOWNING: Correct.

24 THE COURT: -- or did somebody copy it?

25 MR. DOWNING: Copy, an exact copy.

Gates - Redirect

1478

1 THE COURT: She's got to get all of us --

2 MR. DOWNING: Sorry.

3 THE COURT: -- and if we're both talking, she can't
4 get us.

5 Is this a verbatim, exact copy of something that was
6 attached to the indictment?

7 MR. DOWNING: Yes. We represent it is.

8 THE COURT: All right. And you want to offer it?

9 MR. DOWNING: Yes, as a summary. This is the
10 \$3 million that we questioned Mr. Gates about in his
11 embezzlement.

12 THE COURT: And you also want to question this
13 witness about this?

14 MR. ANDRES: Not if it's going to be admitted as an
15 exhibit, Your Honor. I'm happy to wait, but I'd like to
16 address that.

17 THE COURT: Yes, go ahead.

18 MR. ANDRES: Okay. First of all, I'm on questioning
19 now, and I'm not aware that defense is allowed to admit
20 exhibits while I'm there. Putting that aside, I think the
21 indictment --

22 THE COURT: I think you should put it aside because I
23 am going to get a request to have it admitted --

24 MR. ANDRES: Fair enough.

25 THE COURT: -- so I need to deal with it.

Gates - Redirect

1479

1 But you're correct to point out that this isn't the
2 time to admit a piece of evidence on behalf of the defendant.
3 I understand that.

4 MR. ANDRES: This is from the indictment, Judge. If
5 you're going to send the indictment back to the jury --

6 THE COURT: I'm not.

7 MR. ANDRES: Well, this is the --

8 THE COURT: At the moment, I'm not. I'm going to
9 give you an opportunity and you an opportunity to address
10 whether I should. I'm inclined not to. I'll give you a
11 preview of what I'm thinking, and you can address it. You may
12 want it; you may not want it. I don't know.

13 There's a great deal in the indictment that's sort of
14 argument. It's the government's argument about these sleazy
15 people, and I'm not inclined to admit anything other than the
16 exact counts and none of the previous paragraphs. On the other
17 hand, I'm inclined to leave it all out. I expect you've given
18 enough information. But this isn't the time to decide whether
19 I'm going to send something back with the jury. I will give
20 you an opportunity to tell me what you think about that, and I
21 will give you an opportunity to tell me as well.

22 Now, what -- Mr. Andres is correct, this isn't an
23 opportunity for you to offer because he's in the midst of his,
24 but if I'm going to admit it, if I were Mr. Andres, I'd like to
25 know that now before I am questioning a witness.

Gates - Redirect

1480

1 Wouldn't you?

2 MR. ANDRES: Yes, Judge.

3 THE COURT: All right. So I'm going to consider it
4 now.

5 MR. ANDRES: My argument, Judge, is this is part of
6 the indictment, and if Mr. Downing wants to include it, he
7 should have to include the entire indictment. Snipping pieces
8 out of it are misleading.

9 I don't doubt at all --

10 THE COURT: You mean what you attached makes the
11 indictment misleading?

12 MR. ANDRES: No, it's not attached.

13 THE COURT: I'm not moved by an argument that he
14 either has to swallow the whole pill or none of it. All I'm
15 interested in is whether if he offers -- you're going to offer
16 it.

17 MR. DOWNING: Yes, Your Honor.

18 THE COURT: And if you're going to object to it,
19 let's resolve that now.

20 MR. ANDRES: That was my argument, Judge. If you're
21 going to -- if that's unpersuasive to you, then I'm ready to
22 proceed, and I don't have any objection to it being admitted,
23 and that's that. I just don't think it's -- listen, I have
24 objected. I don't doubt that Mr. Downing took this from the
25 indictment. That's fine. We can check it afterwards.

Gates - Redirect

1481

1 THE COURT: Well, I hope somebody from the government
2 checked it before they attached it to an indictment.

3 MR. ANDRES: It's not attached, Judge. It's in the
4 indictment.

5 THE COURT: Oh.

6 MR. ANDRES: It's not an attachment. This is the
7 body of the indictment. That's the problem.

8 THE COURT: I see. I see.

9 MR. ANDRES: The indictment -- and the reason -- I'm
10 sorry, the reason why I raised the question of whether you're
11 going to admit the indictment is this is tantamount to
12 including the indictment and sending it back to the jury,
13 because it's part of the indictment.

14 THE COURT: Well, I assume, though, that the
15 government would have checked something. They wouldn't put
16 something false in an indictment.

17 MR. ANDRES: That's not the issue.

18 THE COURT: Well, it's an issue for me.

19 MR. ANDRES: No, the question isn't whether there's
20 something inaccurate in the indictment. I'm saying I didn't
21 take what Mr. Downing has marked as Government (sic) Exhibit
22 17, which we got for the first time last night, I haven't
23 checked that against the indictment to see if it matches up.
24 I'm not doubting that it --

25 THE COURT: Well, I will give you that opportunity if

Gates - Redirect

1482

1 I admit it. You may certainly go and check it.

2 Go ahead.

3 MR. ANDRES: That's it. This is the indictment.

4 This is excerpts from the indictment, and that's what my
5 objection is, is it's only part of the indictment, and
6 that's -- unless Your Honor is going to send the whole
7 indictment back, I think it's misleading.

8 THE COURT: All right. What's your view?

9 MR. DOWNING: The chart itself was in the indictment
10 as a --

11 THE COURT: The chart. You're referring to --

12 MR. DOWNING: This is the chart.

13 THE COURT: -- these three pages?

14 MR. DOWNING: Correct. Appear in the indictment as a
15 summary of the transfers that came from the offshore accounts
16 of DMP International that went to Mr. Gates and to Mr. Gates'
17 account for which he did not report on his tax return. That's
18 exactly what I asked him about yesterday.

19 It also represents items that we believe are
20 embezzlement. We also questioned about that.

21 That's the purpose of this, using this chart. That's
22 it.

23 THE COURT: I'll give you an opportunity to look and
24 ensure that it is complete and that they haven't omitted
25 something, but -- and, of course, you have an opportunity --

Gates - Redirect

1483

1 your case isn't closed yet. You may do as you wish.

2 MR. ANDRES: Okay.

3 THE COURT: But I don't have it in the record yet.

4 We'll have to do that on recross if you -- yes?

5 MR. ASONYE: We were just consulting with each other.

6 THE COURT: All right. If you do that, please ask --

7 please say you need an opportunity to consult. Then you can

8 consult with him. And I'm talking, and it interrupts me. You

9 understand that. I think you would feel the same way.

10 Do you need an opportunity to consult?

11 MR. ASONYE: No. No, we don't. I said my piece,

12 Your Honor.

13 THE COURT: Anything further, Mr. Downing?

14 MR. DOWNING: No, Your Honor.

15 THE COURT: All right. We had this bench conference.

16 I'm not clear that I have any issue in front of me. If you

17 wish to offer this as an exhibit at the appropriate time, I'll

18 consider it. You may state your objection then, and I will

19 rule on it.

20 As of this time, there's -- at this moment, I don't

21 think I have a question before me.

22 MR. ANDRES: Your Honor, I don't object to its

23 admission since you're going to admit it, and we might as well

24 do it now because if he's going to get to admit it and show it,

25 I think to avoid a re-redirect examination, we might as well

Gates - Redirect

1484

1 get it over with.

2 So if Mr. Downing wants to admit it now, that's fine.
3 I'm going to ask to publish it, and I'll ask Mr. Gates about
4 it.

5 MR. DOWNING: So, Your Honor, I move Defense Exhibit
6 17 into evidence.

7 THE COURT: 17, all right. I'll overrule the
8 objection and admit it.

9 (Defendant's Exhibit No. 17 was received in
10 evidence.)

11 MR. ANDRES: Thank you, sir.

12 THE COURT: You'll be entitled to ask him questions
13 on re-redirect.

14 MR. ANDRES: Oh, so not now?

15 THE COURT: Yes.

16 MR. ANDRES: Oh, yeah. This is just the first
17 redirect. I'm not -- the point was to avoid all the rest of
18 it.

19 THE COURT: All right. Well, that's right, because
20 you're in the midst of redirect.

21 MR. ANDRES: Just the first one, Judge. I know it
22 feels like the fifth one.

23 THE COURT: I hope it's the last one.

24 MR. ANDRES: I'm trying.

25 THE COURT: Go ahead.

Gates - Redirect

1485

1 MR. ANDRES: Thank you.

2 (End of bench conference.)

3 THE COURT: All right. You may proceed.

4 MR. ANDRES: Okay.

5 THE COURT: For the record, I have admitted Defense
6 Exhibit 17 over the objection of the Government. Proceed.

7 MR. ANDRES: May I publish it, Your Honor?

8 THE COURT: Yes, you may.

9 BY MR. ANDRES:

10 Q. Mr. Gates, do you have document Defense Exhibit 17?

11 A. Not yet.

12 Q. You don't have it?

13 A. No.

14 MR. ANDRES: Do you have another copy?

15 THE COURT: He has it in front of him on the screen.

16 MR. ANDRES: Oh, fine.

17 THE COURT: Or at least one screen of it. It's three
18 pages.

19 MR. ANDRES: Okay.

20 BY MR. ANDRES:

21 Q. Mr. Gates, the -- the chart in Government's 17 includes
22 charges that were brought against you in the Eastern District
23 of Virginia; is that correct?

24 A. It does.

25 Q. And with respect to those charges, they relate to your

Gates - Redirect

1486

1 income taxes?

2 A. They do.

3 Q. And the failure for you to declare income?

4 A. That is correct.

5 Q. With respect to those charges, were you guilty of all
6 those charges?

7 A. Yes.

8 Q. And do they also relate to your failure to, to disclose
9 foreign bank accounts on your tax returns?

10 A. They do.

11 Q. And were you guilty of all those charges?

12 A. Yes.

13 Q. Mr. Downing asked you questions about these various
14 transfers. Those were identified by the Government; isn't it
15 true?

16 A. That is correct.

17 Q. And they were included in your indictment?

18 A. Yes.

19 Q. Can I ask you to look at the chart, the first entries for
20 Serangon -- I may be mispronouncing it, so excuse me --
21 Serangon Holdings Limited?

22 Do you see that?

23 A. I do.

24 Q. And what does it say about the country of origin?

25 A. Cyprus.

Gates - Redirect

1487

1 Q. And what is Serangon Holdings Limited?

2 A. It was an entity set up in Cyprus.

3 Q. Okay. By who?

4 A. At the direction of Mr. Manafort.

5 Q. And whose money was in it?

6 THE COURT: Well, he didn't ask you that. He asked
7 you: Who set it up?

8 THE WITNESS: The Cypriot attorneys set it up.

9 THE COURT: Next question.

10 BY MR. ANDRES:

11 Q. Who asked the Cypriot lawyers to set it up?

12 A. In this account, I don't know specifically, but either
13 Mr. Manafort asked the Cypriot attorney or he asked me to ask
14 the Cypriot attorney.

15 Q. During the time that you were dealing with Mr. Manafort's
16 tax preparers, did either you or Mr. Manafort disclose Serangon
17 Holdings?

18 A. No, we did not.

19 Q. There's another listing a few down before the shading for
20 Global Highway Limited. What is Global Highway Limited?

21 A. Global Highway Limited is another entity in Cyprus.

22 Q. And who controlled that?

23 A. Mr. Manafort.

24 Q. And whose money was in that?

25 A. Mr. Manafort's.

Gates - Redirect

1488

1 Q. Did you disclose that account to Mr. Manafort's tax
2 preparers?

3 A. We did not.

4 Q. And below that --

5 THE COURT: I'm sorry, what was your answer?

6 THE WITNESS: We did not, Your Honor.

7 THE COURT: Are you saying "we" or "I"?

8 THE WITNESS: I did not.

9 THE COURT: Next question.

10 BY MR. ANDRES:

11 Q. Do you know if Mr. Manafort disclosed that to your tax --
12 to his tax preparers?

13 A. To my knowledge, no, he did not.

14 Q. Below that is Peranova.

15 A. Yes.

16 Q. What is Peranova?

17 A. Peranova is another Cyprus attorney that was used for
18 political work.

19 Q. And who controlled that?

20 A. Mr. Manafort.

21 Q. Did you disclose that to Mr. Manafort's tax preparers?

22 A. I did not.

23 Q. Why not?

24 A. Because Mr. Manafort had asked us not to -- said we did
25 not need to disclose the foreign accounts to the accountants.

Gates - Redirect

1489

1 Q. Okay. And then for Peranova there are two entries. One
2 is for \$48,000. Is that money you drew from that account?

3 A. It is.

4 Q. Okay. And the other was for \$100,000; is that right?

5 A. That is correct.

6 Q. And what year is that in?

7 A. That is tax year 2011.

8 Q. And that money was income to Mr. Manafort; is that
9 correct?

10 A. This actually was income to me.

11 Q. Income to you, but the money when it first went to
12 Peranova, what was that?

13 A. That was income from the political work.

14 Q. And that was never a loan, right?

15 A. That's correct.

16 Q. There was no loan from some businessman in the Ukraine to
17 Mr. Manafort --

18 THE COURT: You're leading.

19 BY MR. ANDRES:

20 Q. Was there ever a loan from a businessman in the Ukraine to
21 Mr. Manafort that you were aware of?

22 A. No.

23 Q. Okay. Just one more. At the bottom there it says,
24 "Bletilla Ventures." What is that?

25 A. Bletilla is another company that was incorporated in

Gates - Redirect

1490

1 Cyprus.

2 Q. Okay. And who controlled that?

3 A. Mr. Manafort.

4 Q. And did you disclose that to Mr. Manafort's tax preparers?

5 A. I did not.

6 Q. Why not?

7 A. At the direction of Mr. Manafort.

8 MR. ANDRES: Can I just have one moment to look at
9 the chart, Judge?

10 THE COURT: Yes, you may.

11 MR. ANDRES: I'm just trying to speed this along.

12 Just one or two more questions about the chart.

13 BY MR. ANDRES:

14 Q. Do you see a reference to Pompolo Limited?

15 A. Yes.

16 Q. What is that?

17 A. Pompolo Limited is an entity that was set up in the United
18 Kingdom.

19 Q. Okay. And who controlled that entity?

20 A. That was controlled by me and Mr. Manafort.

21 Q. Okay. And did you disclose that to your tax preparer?

22 A. I did not.

23 Q. Under that is Lucicle.

24 A. Yes.

25 Q. What is Lucicle?

Gates - Redirect

1491

1 A. Lucicle is a company based in Cyprus.

2 Q. Okay. And who controlled that entity?

3 A. Mr. Manafort.

4 Q. Under that Mr. Downing asked some questions about Cypriot
5 Agent. Do you see that?

6 A. I do.

7 Q. You didn't have your own lawyer in Cyprus, did you?

8 A. I did not.

9 Q. You didn't have your own accounts in Cyprus, did you?

10 A. No.

11 Q. At some point, the accounts moved from Cyprus to the
12 Grenadines, St. Vincent and the Grenadines?

13 A. Correct.

14 Q. And was there a transition period?

15 A. There was.

16 Q. What happened in that transition period?

17 A. In terms of?

18 Q. In terms of where the money was put, what accounts, where
19 was the money held?

20 A. The money -- oh, the remaining money was held in the
21 Cypriot Agent account in Cyprus.

22 Q. By Dr. K, is that right?

23 A. That's correct.

24 Q. The Cypriot Agent account is not yours, is it?

25 A. No. It was actually an internal account that actually

Gates - Redirect

1492

1 designated by the company that the money remained in that
2 company, so it was simply a list of all the companies that we
3 had had prior to Cyprus and the remaining balance in those
4 companies.

5 Q. Do you remember that Mr. Downing asked you questions about
6 Mr. Manafort having trouble moving the money from Cyprus to the
7 United States?

8 Do you remember that?

9 A. Yes.

10 Q. And he asked you if that caused difficulties?

11 A. Yes.

12 Q. And it caused problems for Mr. Manafort's business?

13 A. Yes.

14 Q. Do you know why banks in the United States wouldn't accept
15 Mr. Manafort's money from Cyprus?

16 THE COURT: Wouldn't this be hearsay?

17 MR. ANDRES: It's his understanding.

18 THE COURT: His understanding isn't relevant.

19 MR. ANDRES: Well, that's what he was asked about.

20 MR. DOWNING: Actually, his answer was yes, he was --
21 the banks didn't tell him why. That was his statement
22 yesterday, Your Honor, but objection. Calls for hearsay.

23 MR. ANDRES: But he asked the exact same question,
24 Your Honor.

25 THE COURT: His understanding isn't really relevant,

Gates - Redirect

1493

1 is it?

2 MR. ANDRES: It is.

3 THE COURT: Mr. Downing?

4 MR. DOWNING: Your Honor, I believe yesterday when I
5 asked Mr. Gates if he knew why the accounts were closed, he
6 said the banks did not indicate. They just closed the
7 accounts.

8 So I don't think he's got a personal understanding of
9 why the banks closed the accounts. That was his testimony
10 yesterday.

11 MR. ANDRES: We could ask him.

12 THE COURT: All right. I'll permit it, although it
13 leaves open the question of why he didn't answer it in the
14 first place when he was asked the question.

15 BY MR. ANDRES:

16 Q. Mr. Gates, do you have an understanding as to why U.S.
17 banks wouldn't accept Mr. Manafort's money from Cyprus?

18 A. It wasn't Mr. Manafort's --

19 THE COURT: Do you have an understanding?

20 THE WITNESS: I have a response from one of the banks
21 that we banked with, yes, Your Honor.

22 THE COURT: I thought you answered Mr. Downing's
23 question that the banks didn't tell you.

24 THE WITNESS: That's correct, that was the answer.

25 THE COURT: Now, you're remembering that one bank

Gates - Redirect

1494

1 told you.

2 THE WITNESS: No, no. The one bank had indicated to
3 us that they are able to --

4 THE COURT: Just a moment. Now you're telling that
5 the bank had indicated something to you?

6 THE WITNESS: Yeah. It follows with my answer
7 yesterday, Your Honor.

8 THE COURT: All right. That would be hearsay, so
9 I'll exclude that. Continue.

10 BY MR. ANDRES:

11 Q. Did anything about the fact that Mr. --

12 THE COURT: By hearsay, ladies and gentlemen, I mean
13 that if I permitted a witness to testify as to what that
14 witness had been told by somebody else, that somebody else
15 couldn't be cross-examined here in court, so that's why it's
16 excluded.

17 Proceed, Mr. Andres.

18 BY MR. ANDRES:

19 Q. Did anything about the fact that Mr. Manafort had a hard
20 time moving his money from Cyprus to the United States, did
21 anything about that prevent him, as you understand it, from
22 disclosing his overseas accounts to his tax payers?

23 A. No.

24 Q. Yesterday, Mr. Downing asked you some questions about a
25 relationship that you had.

Gates - Redirect

1495

1 Do you remember that?

2 A. I do.

3 Q. How long did that last?

4 A. Approximately five months.

5 Q. And have you discussed that with your wife?

6 A. I have.

7 Q. How long ago was that?

8 A. Almost ten years ago.

9 Q. When it happened, did you -- did you tell Mr. Manafort?

10 A. I did.

11 Q. And was he supportive?

12 A. He was.

13 Q. Did he fire you?

14 A. He did not.

15 Q. Mr. Downing asked you some questions about bonuses that
16 you received.

17 Do you remember that?

18 A. I do.

19 Q. Where did those bonuses -- how were they made?

20 A. They were paid from Cyprus.

21 Q. Okay. And those bonuses weren't disclosed to the tax
22 preparers, were they?

23 A. No. I failed to report those on my income tax.

24 Q. Did Mr. Manafort report it to his tax payers?

25 A. He did not.

Gates - Redirect

1496

1 Q. That was his secret, right?

2 A. As I understand, yes.

3 Q. Did he report it to Ms. Washkuhn?

4 A. He did not.

5 THE COURT: Just a moment.

6 MR. DOWNING: Objection, Your Honor. There is no
7 evidence that Mr. Manafort knew that he was taking this money.
8 This is embezzlement. This isn't a bonus. How could he ask
9 him what --

10 THE COURT: That's not the question that's being
11 asked. The question that's being asked is whether Mr. Manafort
12 reported bonuses that were paid to him.

13 MR. DOWNING: That's not what I understood the
14 question --

15 THE COURT: Is that your question, Mr. Andres?

16 MR. ANDRES: Yeah.

17 THE COURT: I beg your pardon?

18 MR. ANDRES: Yes, Judge.

19 THE COURT: All right. Be careful about that. This
20 is not an informal proceeding.

21 MR. ANDRES: Understood. With --

22 THE COURT: I'm not done yet. There's an objection
23 pending. So what's your objection?

24 MR. DOWNING: My objection, I thought he was asking a
25 question about was the money he took out of these offshore

Gates - Redirect

1497

1 accounts that was unknown to Mr. Manafort that he calls
2 bonuses, that were reported by Mr. Manafort on tax returns.
3 That's what I understood the question.

4 THE COURT: That was the question, wasn't it,
5 Mr. Andres?

6 MR. ANDRES: Yes.

7 THE COURT: I beg your pardon?

8 MR. ANDRES: Yes, Judge.

9 THE COURT: All right. I'll overrule the objection.
10 He may answer.

11 THE WITNESS: Sorry, can you repeat the question?

12 BY MR. ANDRES:

13 Q. With respect to the --

14 THE COURT: He wants to know whether the monies that
15 were paid to Mr. Manafort as bonuses were reported on his
16 income taxes, if you know.

17 THE WITNESS: The money that was paid to Mr. Manafort
18 was not reported as income.

19 THE COURT: Next question.

20 BY MR. ANDRES:

21 Q. Mr. Downing asked you some questions about your indictment
22 here in the Eastern District of Virginia. Do you remember
23 that?

24 A. I do.

25 Q. He said that you might be facing a substantial amount of

Gates - Redirect

1498

1 jail time for that.

2 Do you remember that?

3 A. Yes.

4 Q. Somewhere in the neighborhood of 200 years in jail?

5 A. Correct.

6 Q. Is that your understanding that you were facing that
7 amount of time?

8 A. No. I thought it was a lower amount.

9 Q. Are there --

10 THE COURT: What was the lower amount that you
11 thought?

12 THE WITNESS: I thought it was somewhere in the range
13 of a hundred years, Your Honor.

14 THE COURT: A hundred years. Next question.

15 MR. ANDRES: Fair enough.

16 THE COURT: Go ahead, Mr. Andres.

17 MR. ANDRES: Fair enough.

18 BY MR. ANDRES:

19 Q. That indictment has been dismissed?

20 A. It has.

21 Q. Are there circumstances under which that indictment can be
22 brought again?

23 A. There are.

24 Q. What are they?

25 A. If I fail to tell the truth here today, the Special

Gates - Redirect

1499

1 Counsel can claim a breach of the plea agreement, and they can
2 indict me on those charges.

3 Q. And if you were indicted on that, how much time would you
4 be facing?

5 A. A significant amount.

6 Q. Hundred years by your account.

7 A. Yes.

8 Q. With respect --

9 THE COURT: I'll strike that. That's your testimony,
10 but you may ask him.

11 BY MR. ANDRES:

12 Q. So how much time are you facing?

13 A. To my knowledge, up to a hundred years.

14 Q. Okay. And with respect to the charges in the Eastern
15 District of Virginia indictment, you were guilty of all those
16 charges, right?

17 A. Yes.

18 Q. And if you had lied here today and those charges were
19 brought again, would you have any defense to those?

20 A. No.

21 Q. Mr. Downing asked you some questions --

22 THE COURT: Just so we're clear -- no, go ahead,
23 Mr. Andres.

24 BY MR. ANDRES:

25 Q. Mr. Downing asked you some questions about your

Gates - Redirect

1500

1 sentencing. Do you remember that?

2 A. I do.

3 Q. And you're going to be sentenced by a federal judge in
4 Washington, D.C.; is that correct?

5 A. That is correct.

6 Q. With respect to all of the things that you've testified
7 today, will that judge know about all of the criminal activity
8 you're involved in?

9 A. She will.

10 Q. Okay. With respect to the embezzlement from Mr. Manafort,
11 will that judge know about that?

12 A. She will.

13 Q. And with respect to your own failing to file tax returns,
14 will the judge know about that?

15 A. Yes, she will.

16 Q. How will she know about that?

17 A. Because the government prepares a letter which indicates
18 all of the criminal activity conducted.

19 Q. And will that judge have access to this transcript?

20 A. I assume so, yes.

21 Q. Okay. And so at the time of sentencing, is it your
22 understanding that the judge will take into consideration the
23 totality of your conduct?

24 A. Yes. That's what is expressed to me.

25 Q. That includes your criminal conduct?

Gates - Redirect

1501

1 A. It does.

2 Q. And your cooperation?

3 A. That's correct.

4 Q. And as you sit here today, do you have any idea what your
5 sentence will be?

6 A. None.

7 Q. As you sit here today, Mr. Gates, do you have any doubt in
8 your mind, if you lied, that the Special Counsel's Office would
9 rip up your plea agreement?

10 A. No doubt at all.

11 MR. ANDRES: Judge, may I have a moment?

12 THE COURT: Yes, you may.

13 MR. ANDRES: Just one other quick area, Your Honor.
14 If I could go back to Defense Exhibit 17?

15 14. Defense Exhibit 14.

16 BY MR. ANDRES:

17 Q. Do you have that in front of you, Defense Exhibit 14?

18 A. I do.

19 MR. ANDRES: Okay. May I just have one moment, Your
20 Honor?

21 THE COURT: Yes.

22 MR. ANDRES: I'm finished, Your Honor. Thank you.

23 THE COURT: I'm sorry?

24 MR. ANDRES: I'm finished with my examination. Thank
25 you.

Gates - Recross

1502

1 THE COURT: All right. Mr. Downing?

2 MR. DOWNING: Thank you, Your Honor.

3 Can I get a copy of the plea agreement?

4 RECROSS EXAMINATION

5 BY MR. DOWNING:

6 Q. Can we go back to Defense Exhibit 17?

7 Mr. Gates, you've had an opportunity to look at
8 what's been marked as Defense Exhibit 17, haven't you?

9 A. Yes, I have.

10 Q. Today and yesterday?

11 A. Yes.

12 Q. And I think you ballparked yesterday --

13 THE COURT: Well, have you seen this chart before?

14 THE WITNESS: Yesterday, yes, Your Honor.

15 THE COURT: Before yesterday, have you seen it?

16 THE WITNESS: Before yesterday? Yes, I did see it in
17 the indictment, Your Honor.

18 THE COURT: Next question.

19 BY MR. DOWNING:

20 Q. The indictment here in EDVA, correct?

21 A. That's correct.

22 Q. And yesterday you ballparked that the total amount of
23 these wire transfers to your accounts was somewhere between 2.7
24 and 3 million dollars, correct?

25 A. I believe that's correct, yes.

Gates - Recross

1503

1 Q. And this is all monies that you directed from DMP
2 International's offshore accounts to your personal accounts,
3 correct?

4 A. That is correct.

5 Q. And these monies are part of what we discussed yesterday,
6 your embezzlement from DMP and Mr. Manafort, correct?

7 A. That is correct.

8 Q. And they come from various entities in Cyprus as well as,
9 I believe, Global Endeavour is there for St. Vincent and the
10 Grenadines, correct?

11 A. I don't see Global Endeavour here, but I think on that
12 previous page, yes, that's correct.

13 Q. Okay. And it spans from what years, 2010 to 2014?

14 A. I don't have the last page, but I think that's correct.
15 Yes, November 2014.

16 Q. Okay. Not to rehash too much of yesterday, but I believe
17 Mr. Andres has made a big fact of the point that if you don't
18 tell the truth, that they can tear up your plea agreement?

19 A. That's true.

20 Q. Who prepped you for trial?

21 A. My attorney.

22 Q. And from the Government?

23 A. I met with -- I met with Special Counsel.

24 Q. Who?

25 A. Mr. Andres and various FBI agents.

Gates - Recross

1504

1 Q. Any other lawyers from the Office of Special Counsel you
2 met with for trial prep?

3 A. For trial prep? I don't recall if there are any others.

4 Q. And about on how many occasions did you meet with
5 Mr. Andres to prep for trial?

6 A. Approximately 20.

7 Q. How many?

8 A. Approximately 20.

9 Q. And in your trial preparation, this issue came up about an
10 extramarital affair that you may have had, correct?

11 A. It did.

12 Q. And when I asked you yesterday about your secret life, you
13 said you had made a mistake, correct?

14 A. I did.

15 Q. And that it was a short period of time and you rectified
16 it?

17 A. Yes.

18 Q. Do you recall telling the Office of Special Counsel that
19 you actually engaged in four extramarital affairs?

20 MR. ANDRES: Objection, Your Honor. Relevance.

21 MR. DOWNING: It's going to go to you ripping up his
22 plea agreement for lying yesterday.

23 MR. ANDRES: Your Honor, if we're going to testify,
24 maybe we could come to the sidebar?

25 THE COURT: Yes, I think you're right, Mr. Andres.

Gates - Recross

1505

1 (Bench conference on the record.)

2 THE COURT: All right, there's an objection on the
3 basis of relevance. Let me hear you, Mr. Andres.

4 MR. ANDRES: Well, Judge, as a procedural matter,
5 Your Honor said that we weren't going to discuss any of this
6 stuff. In fact, Your Honor ruled there would be no mention of
7 extramarital affairs without a bench conference.

8 Mr. Downing has violated that, obviously, but what is
9 the possible relevance of whether or not Mr. Gates had other
10 extramarital affairs? What's the possible relevance of that?

11 MR. DOWNING: I'm just throwing out the fact that
12 yesterday, first of all, Mr. Gates volunteered that he had the
13 affair. I did not directly ask that, so I did not violate any
14 court order or agreement.

15 MR. ANDRES: I would disagree with that.

16 MR. DOWNING: Second of all --

17 THE COURT: I'll be the judge of that.

18 MR. ANDRES: I understand. I'm just letting --

19 THE COURT: That's not really what I need to pay
20 attention to now. The question is whether this question is
21 relevant. You said it isn't, and you've explained why you
22 think it isn't relevant, and I understand you want to make
23 clear that you think he's violated the Court's order.

24 That's not what I'm concerned with now. What I'm
25 concerned with right now is whether this question is relevant.

Gates - Recross

1506

1 Why do you think it's relevant?

2 MR. DOWNING: Well, yesterday, he offered up that he
3 had an affair, one affair. It was a short period of time.
4 We've, we've alleged and the basis for questioning about this,
5 we called it the secret life of the affair, that it stretched
6 over a period of time and it explained why he was embezzling
7 all of this money.

8 He, in fact, did not have one affair. He told the
9 Office of Special Counsel he had multiple affairs, which goes
10 to the very issue of why we started questioning about this, his
11 lifestyle that he was leading, his secret life. But, in fact,
12 it also goes to his credibility. He lied on the stand
13 yesterday about it.

14 THE COURT: Well, I think it is true that the
15 cross-examination referred to it as a secret life, and you did
16 not elicit that it was an affair. It was pretty obvious that
17 it was. Just now, you've raised it without coming to the
18 bench. You should have come to the bench.

19 It's no secret. The real question is whether -- the
20 multiple affairs question, and you contend that that's relevant
21 because there's been a great deal of testimony about whether
22 the -- if he's lied, he loses his immunity, and you want to
23 bring out that he's lied? Is that what you want?

24 MR. DOWNING: Correct.

25 THE COURT: Where is it he's lied?

Gates - Recross

1507

1 MR. DOWNING: He said he had an affair, one affair.

2 THE COURT: Who said that?

3 MR. DOWNING: Yesterday, Mr. Gates said it. He,
4 unsolicited by me, he blurted it out, and that it was over a
5 short period of time.

6 It was not one affair. He told the Office of Special
7 Counsel it was multiple affairs and it took place over a period
8 of time, which goes to the motivation, his secret life, for
9 embezzling the money. So it all ties into that.

10 THE COURT: Yes, but that's not really -- the only
11 thing that's relevant is this whole thing is about whether or
12 not he's going to lose the benefit of his plea agreement if he
13 doesn't tell the truth. That's what you've been asking. And
14 did you want to establish that he didn't tell the truth in this
15 case?

16 MR. DOWNING: Yes.

17 THE COURT: Well, the problem with that is he wasn't
18 asked a question directly: How many affairs did you have? He,
19 I think you're correct, blurted out that he had an affair.
20 Consistent with my instructions to you, you didn't ask him,
21 because you weren't permitted to --

22 MR. DOWNING: Correct.

23 THE COURT: -- how many affairs did you have?

24 MR. DOWNING: And, Your Honor, I apologize because I
25 thought since he opened the door to it by blurting it out

Gates - Recross

1508

1 unsolicited, that it wasn't a violation of our agreement, so I
2 apologize.

3 THE COURT: Well, that wasn't a violation. That
4 wasn't a violation. What Mr. Andres says is a violation is
5 what you said here in open court, but I'm not concerned with
6 that now.

7 I think the question about multiple affairs is not
8 relevant, and I'm not going to permit it. It's not relevant
9 because I don't see how it bears on his credibility here.

10 In other words, well, you might argue, I suppose --
11 that's what interests me, is how does the multiple versus one
12 affair lead to this jury's consideration of whether he's been
13 truthful?

14 MR. DOWNING: So I think overall what he was trying
15 to do was minimize the reason or the basis which caused him to
16 decide to embezzle the funds. He made it sound like it was a
17 very short period of time and that it was over.

18 What I'm trying to say is he embezzled funds from
19 2010 to 2014, and those affairs span that period of time. It
20 wasn't a short, five-month period.

21 THE COURT: Well, I'll tell you what I think you can
22 do, but let me inquire of Mr. Andres.

23 I'm here.

24 MR. ANDRES: I'm looking.

25 THE COURT: He wants to show that this person is not

Gates - Recross

1509

1 worthy of credibility, of course, and he did testify on direct
2 testimony that he had a secret life -- that's the term used --
3 he admitted that and he said -- I don't know whether he
4 admitted one affair, but it sort of sounded like that, and I
5 think what Mr. Downing wants to do is to point out that that
6 wasn't truthful.

7 The problem, Mr. Downing, is he wasn't asked: Did
8 you only have one affair, because I wouldn't have permitted it.
9 What I will permit now is for you to establish that his secret
10 life spanned years.

11 MR. DOWNING: Okay.

12 MR. ANDRES: Your Honor, I object to that for the
13 following reason.

14 THE COURT: All right.

15 MR. ANDRES: I don't know the parlance of "affairs"
16 and "sexual encounters" --

17 THE COURT: Good.

18 MR. ANDRES: Thank you. And the like. I don't think
19 Mr. Gates would say that he had another affair, and I don't
20 think Mr. Downing can prove that, and he can bring up the 302
21 and the other document that said that.

22 THE COURT: Well, the only thing I'm letting him,
23 letting him bring out is how long this secret life spanned.

24 MR. ANDRES: Well, so if I could finish, Mr. Gates
25 had, I don't know what to call it, but he had sex with other

Gates - Recross

1510

1 women aside from his wife more than once. That is not
2 something that's relevant in any way.

3 Mr. Gates --

4 THE COURT: It is relevant if it's inconsistent with
5 any other testimony he's given because this jury has to decide
6 whether or not to believe this witness. So if he has been less
7 than candid, less than truthful in his testimony, they have an
8 opportunity to bring that out.

9 You have a wonderful brow furrowing --

10 MR. ASONYE: I'm just, Your Honor --

11 MR. ANDRES: Your Honor, the problem that Mr. Downing
12 is going to say is: You had four affairs.

13 And he's going to say: No, I didn't.

14 THE COURT: No, I didn't permit him to ask that.
15 What I'm permitting him to ask is did his secret life span a
16 number of years, and that's all.

17 MR. DOWNING: I got it.

18 THE COURT: That's all. Now, what's your objection
19 to that?

20 MR. ANDRES: My objection is that Mr. Downing never
21 tied any of the payments that he alleges, and only him, have
22 anything to do with the, quote-unquote, secret life. Mr. Gates
23 said that he didn't use any money from Mr. Manafort for that,
24 so what's --

25 THE COURT: I don't care. What I care about is

Gates - Recross

1511

1 whether there is information from which a jury can make a
2 judgment about whether to believe this witness. So I'm going
3 to permit that.

4 MR. ANDRES: Can I just understand what specifically
5 you're going to permit?

6 THE COURT: Yes. I've said it; I'll say it again:
7 I'm going to permit Mr. Downing to inquire whether his secret
8 life, that's one question --

9 MR. DOWNING: Yes.

10 THE COURT: -- spanned whatever years it is.

11 MR. DOWNING: Okay.

12 THE COURT: And that's it.

13 MR. ANDRES: And there's not going to be follow-up or
14 there's not going to be --

15 THE COURT: Unless you do it.

16 MR. ANDRES: Okay. Thank you.

17 THE COURT: I mean, you-all seem to be good at that.
18 He wanted an exhibit admitted. I admitted it, and it turned
19 out that he used that. Maybe -- be careful what you ask for.

20 MR. DOWNING: I agree. I'll make it brief.

21 MR. ANDRES: Thank you, Judge.

22 (End of bench conference.)

23 THE COURT: All right. Mr. Downing, you may proceed
24 in accordance with the Court's ruling at the bench.

25 BY MR. DOWNING:

Gates - Recross

1512

1 Q. Mr. Gates, I asked you some questions about Defendant's
2 Exhibit 17 and the time frame over which it spanned. It was
3 from 2010 to 2014.

4 Yesterday, I referred to your secret life, and I
5 believe you testified yesterday that you were spending beyond
6 your means, and there was a reason for your taking this
7 money --

8 THE COURT: Well, never mind summarizing his
9 testimony. Get to the question.

10 BY MR. DOWNING:

11 Q. Well, the question is: The secret life that we were
12 talking about spanned this period of time that's evidenced in
13 Exhibit 17?

14 A. Mr. Downing, I'd say I've made many mistakes over many
15 years, and I regret them.

16 THE COURT: This isn't the time for that. Just
17 answer his question directly.

18 THE WITNESS: I understand. Yes, it did.

19 BY MR. DOWNING:

20 Q. It is?

21 A. Yes.

22 MR. DOWNING: No further questions.

23 THE COURT: Anything further?

24 (No response.)

25 THE COURT: All right. Thank you.

1 Anything further, Mr. Andres?

2 MR. ANDRES: No, Your Honor.

3 THE COURT: Mr. Gates, you may step down.

4 THE WITNESS: Thank you, Your Honor.

5 (Witness excused.)

6 THE COURT: All right. Who is the next witness,
7 Mr. Andres?

8 MR. ANDRES: Forensic Accountant Morgan Magionos,
9 from the FBI.

10 THE COURT: All right. Now, do I have something that
11 you submitted that I need to decide before that witness
12 testifies?

13 MR. ANDRES: Yes, Judge.

14 THE COURT: All right. Pass your books to the right,
15 ladies and gentlemen. The court security officer will collect
16 your books and maintain their security.

17 Remember to refrain from discussing the matter among
18 yourselves or with anyone or undertaking any investigation on
19 your own. We will reconvene -- I have this issue to consider
20 and we will reconvene at -- how long is this next witness?

21 MR. ANDRES: Two hours.

22 THE COURT: All right. We'll reconvene at 11:30 --
23 at, yes, let's make it 11:25 -- 11:30, and I'll resolve it.

24 Follow Mr. Flood out.

25 (Jury out.)

1 THE COURT: Mr. -- just a moment.

2 Mr. Andres, would you give me a brief summary of this
3 witness and this -- you submitted a memorandum relating to
4 this. I don't believe I received anything from the defendants
5 in response.

6 MR. WESTLING: You did not, Your Honor.

7 THE COURT: All right. But your -- is it your
8 witness?

9 MR. WESTLING: It is, Your Honor.

10 THE COURT: All right. You can respond orally.

11 MR. WESTLING: I'll be happy to.

12 THE COURT: Do you have any objection to the
13 admissibility?

14 MR. WESTLING: Well, I think that as a practical
15 matter, Your Honor, we don't have objections to the use of
16 summaries. There's some issues in some of these charts
17 regarding information that's being put in related to domestic
18 expenditures that we're not entirely clear of the relevance of
19 that, because we understand those were actually captured and
20 put on the tax returns.

21 In addition, Your Honor, there are some exhibits the
22 Government has listed for this witness that relate to e-mails
23 and other things that I don't think fit under sort of the
24 general mantle of a summary witness. It's one thing to say I'm
25 going to come and summarize transactions and other things.

1 It's another to say I'm going to refer to other testimony or
2 the e-mails that have already been admitted into evidence, and
3 so that would be our concern with this witness.

4 THE COURT: Well, let me go and read Mr. Andres'
5 brief that was submitted.

6 I think I mentioned earlier, Mr. Andres, that, of
7 course, summaries of voluminous data can be summarized if the
8 admissible evidence is submitted and available to the Court and
9 opposing counsel, but it isn't a device through which a party
10 can summarize its arguments; in other words, you can't use it
11 as a means of doing that. But do you have the charts that you
12 want this witness to testify to as exhibits listed?

13 MR. ANDRES: Yes, Judge.

14 THE COURT: What are they so that I may look at
15 those? Are they listed in your brief and attached to it?

16 MR. ANDRES: I believe they are, Judge, but if it's
17 faster, we can just e-mail them as soon as we take a break.
18 That might be the most expeditious way to do it.

19 THE COURT: All right. All right.

20 MR. ANDRES: Can I -- can I suggest just two other
21 things?

22 THE COURT: Yes.

23 MR. ANDRES: I'm happy to, if Your Honor is
24 interested, in giving a quick overview of the testimony.

25 THE COURT: Yes.

1 MR. ANDRES: And then I think if I could work with
2 Mr. -- with defense counsel in terms of understanding their
3 objections, then we could try to work that out because we do
4 not intend to --

5 THE COURT: Excellent idea.

6 MR. ANDRES: -- admit other testimony or other, other
7 e-mails.

8 I'm not sure I understand that, but I'm happy to
9 clarify. So Morgan Magionos is a forensic accountant with the
10 FBI, been involved in this investigation for some time. She's
11 done tracing work to trace the payments from the Ukraine to
12 Cyprus to the United States to the vendors in a variety of
13 different ways, and that's principally what she'll testify
14 about is all of the movement of the money. And those are the
15 charts that we provided.

16 There were a series of charts that related to the
17 purchase of real property. Some of those had pictures of the
18 real property on them. We now have two versions, one with
19 pictures and one without. To the extent that there's an
20 objection, I don't think listing the photographs of the houses
21 is necessarily prejudicial, but in either case, we're not
22 arguing that. So that's A, let's call that Part A of her
23 testimony.

24 Secondly, during the course of reviewing those
25 materials, which involve a substantial number of foreign bank

1 accounts, as well as bank account information that Mr. Manafort
2 produced pursuant to a Title 31 subpoena, there are a handful
3 of e-mails that Mr. Manafort included that are his statements
4 that relate to the tracing exercise that she'll testify to, and
5 those, again, are his statements. So all of that, again, I put
6 in Category A.

7 Category B are Mr. Manafort's e-mail statements that
8 are admissible as his statements, that is a different project,
9 if you will, than simply her tracing project. But they involve
10 a range of issues in the case, whether it's the bank frauds or
11 other things, but they're defendant's statements.

12 That brief has more recently come to Your Honor, I
13 think, in the last day or two and is the issue that hasn't been
14 involved. The 1006 issue has been resolved, and I certainly
15 appreciate the difference between a summary witness --

16 THE COURT: I'm sorry, you say it has been resolved?
17 I don't recall ruling on the 1006 issue.

18 MR. ANDRES: You did, Your Honor, and with the
19 admonition that we're not to use it as a summation.

20 THE COURT: Oh, I see.

21 MR. ANDRES: I understand the difference between a
22 summary witness. I'm not going to give my closing witness
23 through this witness.

24 THE COURT: All right.

25 MR. ANDRES: The issue about whether to read her

1 e-mails -- the e-mails that -- of Mr. Manafort as his
2 statements is something we briefed. I'm not sure what the
3 defense position is, but our position are there's a stipulation
4 that they're authentic and these are the defendant's
5 statements. So there's a handful that we seek to read through
6 Special Agent --

7 THE COURT: Yes, that's, I think, the objection as I
8 understood it. You can have the document admitted and it's
9 admitted, but you can't have a witness read it who doesn't know
10 anything about it other than that she's an FBI agent.

11 MR. WESTLING: That's the objection, Your Honor.

12 MR. ANDRES: Well, Judge, if I could address that,
13 agents take statements from witnesses all the time, and they
14 don't have to know all the background. Drug agents seize drugs
15 all the time. They don't have to have personal knowledge of
16 the drugs that they seize in order to testify.

17 THE COURT: And that's quite true.

18 MR. ANDRES: Right? So --

19 THE COURT: But this is merely a means of conveying
20 to the jury through the mouth of an agent -- these -- she had
21 nothing to do with -- is it a woman?

22 MR. ANDRES: Yes, Judge.

23 THE COURT: She had nothing to do with this. In
24 other words, it isn't -- these aren't statements Mr. Manafort
25 made to her. They're statements he made, and I'll think about

1 that. None of cases you've cited thus far is that, but if I've
2 missed it, I want you to call my attention to it.

3 MR. ANDRES: I think we did cite a case in
4 particular, Judge, that allows for the reading of the e-mails.

5 The question is not -- we'll do it in any way that's
6 appropriate. We're not trying to prejudice, but again, the
7 issue is to get the evidence in front of the jury.

8 THE COURT: Well, the documents would be admitted
9 because they're statements of the defendant. It's clearly
10 admissible. But using an agent to make the case is not,
11 because these statements weren't made to an agent, and all the
12 agent is doing is testifying to the -- what it says.

13 Tell me what case you're relying on.

14 MR. ANDRES: I'm obviously getting some help here,
15 Judge, but there's a Sixth Circuit case, *United States v.*
16 *Kilpatrick*, that says agents are free to read aloud from
17 admitted documents, and then there's another case, and this
18 one's in the Fifth --

19 THE COURT: Well, I'll look at that, but, you know,
20 you're cherry-picking that statement. Who knows whether that
21 agent could read aloud from it because that agent was involved
22 in some other part of the investigation where that statement,
23 that admission by a party was important. I'll look at the
24 case.

25 Certainly, the exhibit is admissible. It does become

1 part of the record. I'll just look at whether the appropriate
2 way to do it is simply to admit it. You, in your argument, can
3 direct the jury: You know, I think you ought to look
4 specifically at this, and so forth, rather than -- what she's
5 doing is simply repeating what you want her to do. She's
6 reading those documents.

7 And I'm going to look at the -- what you say is the
8 Sixth Circuit case, but I'm not inclined to do it, but I may.
9 But as I said, you do get the documents to come into the
10 record. They're perfectly admissible. You do get to argue
11 them. That's perfectly appropriate.

12 MR. ANDRES: Thank you, Your Honor.

13 Just before you leave, Bucket 3 for Forensic
14 Accountant Magionos is just to admit some telephone records.
15 Again, as a custodian, they're business records that are coming
16 in, and she's going to identify certain of the telephone
17 records that are relevant to another part of the case.

18 Again, the telephone records themselves are
19 voluminous, and she has a chart that identifies. I'm not going
20 to ask her as to what they relate to or anything else, but
21 rather just to identify those phone calls.

22 THE COURT: All right. Let's do this: We're going
23 to take the recess. I want you to look at all of the charts
24 that are being offered --

25 MR. WESTLING: Yes, Your Honor.

1 THE COURT: -- as summaries of data under 1006,
2 because voluminous data can be presented to a jury by way of a
3 chart if the chart is not argumentative.

4 If it simply portrays in an organized fashion the
5 data that is admissible and if you're satisfied and don't have
6 an objection as to its accuracy, you get a chance to look at
7 it.

8 So number one, I want you to look at that and tell me
9 whether you have any objection to these charts that Mr. Andres
10 wants to introduce under 1006. He has to introduce all of
11 the -- or make available all of the underlying data that would
12 be admissible, and then you can determine whether or not it's
13 an accurate summary.

14 MR. WESTLING: Yes, Your Honor.

15 THE COURT: But obviously, it's got to be neutral.
16 In other words, you can't offer a summary that has some numbers
17 in black and some numbers in red and some numbers with stars by
18 it, because that's an argument. They can do that in closing
19 argument. You can, you can do that, but it won't go back to
20 the jury room. It'll be a demonstrative then.

21 Okay. So that's the first thing I want you to do. I
22 want to know whether there's any objection.

23 Second, do you know what exhibits Mr. Andres intends
24 to introduce through this witness because you provided that,
25 Mr. Andres?

1 MR. ANDRES: Yes, Judge.

2 THE COURT: I want to know if there's any objection
3 to those. I think, for the most part, they're all
4 Mr. Manafort's statements, are they not?

5 MR. ANDRES: Yes, Your Honor.

6 THE COURT: So there's no objection on the basis of
7 hearsay, but there may be some other objection, and I want to
8 know that.

9 MR. WESTLING: Yes, Your Honor.

10 THE COURT: And I want to resolve it.

11 There was a third -- oh, yes, and you were going to
12 get together with Mr. Andres to see if you could agree on if
13 you have an objection, give him notice of that, so I can hear
14 informed argument.

15 Now, tell me once again, what that Sixth Circuit case
16 was?

17 MR. ANDRES: Your Honor, if I could hand up, I'm
18 happy to brief it, but I'm happy to provide you with a copy.
19 It does have highlighting, but it --

20 THE COURT: No, I'll look it up. Just give me the --

21 MR. ANDRES: Okay. Sure, here it is. *United States*
22 *v. Kilpatrick*, 798 F.3d 365, 383 (6th Cir. 2015).

23 THE COURT: All right. I'm sure somebody helpfully
24 wrote that down.

25 MR. ANDRES: I'm happy to -- I'm happy to repeat it.

1 (Laughter.)

2 THE COURT: No, that's fine. All right. Anything --

3 MR. ANDRES: It's not a -- it's not a secret.

4 THE COURT: Now, Mr. Flood will have to tell the jury
5 that we'll probably be a little later. Let's make it 11:45 we
6 will reconvene.

7 Anything further at this time? Are we clear now?

8 MR. WESTLING: Yes, Your Honor.

9 THE COURT: Let's proceed.

10 MR. ANDRES: Okay. Thank you, Your Honor.

11 THE COURT: Court stands in recess.

12 (Recess from 11:08 a.m., until 11:43 a.m.)

13 (Jury out.)

14 THE COURT: All right. All right. When we recessed,
15 I did not have any sense of the scope. I now have it, and I
16 need some more clarification, but I want to give you some
17 guidance as well.

18 The focus, my focus was these charts that I received
19 a two- or three-page memorandum on, maybe it was two, no
20 specific charts were referred to, but you did give me an out --
21 not an outline but a -- as you've been doing, Mr. -- yes -- as
22 you've been doing, Mr. Andres, you've given me a chart of this
23 witness and the exhibits you want to offer through her. She's
24 a forensic accountant. So I've looked at some of those.

25 And, Mr. Wesley, I don't know what you're objecting

1 to. So you need -- just a moment -- what you're objecting to,
2 so that's what I expected you and Mr. Andres to review. There
3 may be no objections; there may be a slew of them. I just
4 don't know.

5 Now, let me give you some guidance that might resolve
6 it. I told Mr. Andres that I would admit, of course, documents
7 under -- charts under 1006, if they are a way of conveying to
8 the jury in a neutral manner the content of voluminous
9 documents, but that they couldn't be disguised advocacy, that
10 is, as evidence.

11 So I began to look at some of these charts, and it
12 seemed to me, Mr. Westling, that they did that. I didn't see
13 any problem with them. For example, Exhibit 61, all it says is
14 the names of certain foreign entities, a date created, and a
15 corporation location, and these are names that I think all have
16 been mentioned in the record. So I would assume this forensic
17 accountant determined, Mr. Andres, where these people were
18 created, when they were created, and then on the basis of
19 admissible records, and where they are incorporated.

20 Am I right about that?

21 MR. ANDRES: Yes, Your Honor.

22 THE COURT: So that seems to me that that would be
23 admissible under 1006, and I don't know if there's an
24 objection, but at some point --

25 MR. WESTLING: There is not as to that one, Your

1 Honor.

2 THE COURT: Well, I'm not surprised. But then I go
3 on and there's this much, and at some point I needed to have
4 some guidance on what's really at issue between the parties.
5 Now, that's one issue. I'll come back to it.

6 The second issue is whether this witness could read
7 e-mails that are otherwise admissible into the record. The
8 answer to that is, yes, in some instances, but not in all. In
9 other words, you can't have someone who's an agent come in and
10 read e-mails that that agent has nothing to do with other than
11 to read, and if she -- he or she was involved in the
12 investigation, but if in preparing her testimony, this
13 witness -- and in making these charts she used this evidence,
14 assuming it's admissible, in other words, a statement by
15 Mr. Manafort which is admissible, she could certainly read
16 that, but, of course, nobody would doubt that I can't go in and
17 find one of these nice people off the street in the morning and
18 say, "Come in, I want you to read a bunch of e-mails for me,"
19 of course not. Even though the e-mails may be admissible, they
20 have to have some context. Remember, the defendant can't -- or
21 you can't cross-examine most of these anyway because maybe
22 there are other people on the e-mail and so forth.

23 But anyway, so those are the two questions. One is
24 these charts, clearly charts that summarize voluminous
25 information in a neutral way to present to the jury that's

1 appropriate under 1006. It's up to you, Mr. Westling, whether
2 the predicates are met; namely, whether the documents have been
3 admitted in evidence, that is, the underlying data, and whether
4 the chart is accurate in its representation of that data. I'm
5 not going to go through it; that's your problem. And then I
6 need to know what the, what the objections are.

7 And for the second thing, you've got a list,
8 Mr. Westling, of all the documents Mr. Andres intends to
9 introduce through this witness. If you have an objection to
10 those, I expected you and Mr. Andres to talk about it and see
11 if you could obviate the necessity for us to have yet another
12 bench conference, which I dearly wish to avoid.

13 MR. ANDRES: Can I -- can I try first, Your Honor?

14 THE COURT: Yes, of course.

15 MR. ANDRES: So here's my understanding, and
16 Mr. Westling can correct me. As to the 1006 charts, there's
17 a -- one issue was cumulative, which Mr. Westling will handle,
18 but, otherwise, there's not an objection to the admission.
19 There are --

20 THE COURT: Except for cumulativeness?

21 MR. ANDRES: Mr. Westling will handle that. I'll
22 leave that. I think -- and I don't want to speak for him, but
23 generally there's not an objection with respect to one
24 exception. There are flow charts that cover the property that
25 was purchased. So it shows the movement to the various

1 accounts. They're different than the charts. We've agreed
2 that the -- we'd be allowed to show it so that Forensic
3 Accountant Magionos can describe her tracing activity, but
4 we're not going to admit those as exhibits.

5 THE COURT: All right. So it's a demonstrative in
6 effect?

7 MR. ANDRES: For this witness.

8 MR. WESTLING: That's correct, Your Honor.

9 MR. ANDRES: Correct. And then there's --

10 THE COURT: Then you may use it in closing argument,
11 if you wish.

12 MR. ANDRES: That would be wonderful.

13 THE COURT: But the jury will be told you're not
14 going to have it in the jury room and it is not itself
15 evidence.

16 MR. ANDRES: Understood. And then there's a fourth
17 chart that also falls into that category with respect to
18 FARA -- the FARA filing, and it has -- it does summarize
19 voluminous evidence, but it also makes the comparison, which
20 there is some arguments that that could be argument, and we
21 don't want to fight about that, and we're going to put that
22 chart in as well as demonstrative evidence. So --

23 THE COURT: What chart is that?

24 MR. ANDRES: It's called the FARA chart. I don't
25 know offhand --

1 MR. WESTLING: I believe it's Exhibit 80, Your Honor.

2 THE COURT: Just a moment. Let's see if I -- all
3 right. I do have Exhibit 80. Go on.

4 MR. ANDRES: So half of that chart summarizes
5 voluminous evidence. I think it's the right side that goes
6 through all of the things that are in the general ledger, all
7 of the things that are in the bank account. That is truly
8 voluminous evidence.

9 On the opposite side of that is a summary of what's
10 in Mr. Manafort's FARA filing, which is a document that is not
11 voluminous. We don't contend it is, and to the extent that the
12 defense is arguing that this is some sort of argumentative
13 summation point, we're not going to seek to admit that as
14 evidence but rather have the accountant explain what she did
15 and the comparison that she made. And like the other charts,
16 it will come in as a demonstrative exhibit but it won't be
17 admitted.

18 THE COURT: All right.

19 MR. WESTLING: And we have no problem with that, Your
20 Honor.

21 THE COURT: All right. That's a sensible resolution.

22 Now, your objection as to cumulativeness, of course,
23 we've heard testimony about how -- about the payment to the
24 clothiers, payment to the landscapers and other entities, and
25 we've heard these people who actually received payment testify

1 that, yes, I sent that bill, yes, I got that payment, and the
2 payment came to me from this entity.

3 And is it your argument that we don't need to hear
4 that evidence again?

5 MR. WESTLING: That is my argument, Your Honor.

6 THE COURT: Well, it was fairly clear. What is it
7 that you intend to offer about that? There were lots of
8 payments. I mean, I just said clothiers and landscapers.
9 There were other payments, and I think the evidence showed they
10 came from Cyprus. Am I correct?

11 MR. ANDRES: Yes, Your Honor. The point of Forensic
12 Accountant Magionos is to -- and we're not going to spend a lot
13 of time on this. I'm really hoping it's not going to take two
14 hours. I think we can get through it much quicker, but it is
15 to put together the whole picture. So she -- they put it in
16 one part of the picture, which is the domestic half. She's
17 going to put in the foreign half and she'll reference the
18 domestic half as well to show the connection between the
19 domestic payments and the foreign payments, and this is --

20 THE COURT: Well, the domestic payments came from a
21 foreign bank.

22 MR. ANDRES: Correct. But what the, what the -- she
23 can trace the wire remittance from those foreign accounts, and
24 Your Honor will remember that when, when Your Honor asked that
25 we not admit the domestic chart payments through the, through

1 the vendors, that you said through an appropriate FBI agent,
2 this is that appropriate FBI agent.

3 So it's not cumulative in the sense that it puts the
4 whole picture together. And again, we are not -- we are
5 absolutely not going through every entry but rather to
6 summarize the charts so that the evidence is -- is in properly.

7 THE COURT: All right. What's your -- why is that
8 cumulative, Mr. Westling?

9 MR. WESTLING: Well, Your Honor, I guess simply
10 because we've heard it all before, and so I don't think that
11 it's appropriate to have this witness get on the stand and
12 repeat for each vendor the specific transactions, sort of
13 transaction by transaction, which is at least what the charts
14 seem to suggest is going to happen and would have to happen for
15 the charts to be admitted.

16 THE COURT: Well, do you intend to argue to the jury
17 that there was no evidence that the payments for his clothes
18 came from a Cyprus bank account?

19 MR. WESTLING: We do not intend to argue that, Your
20 Honor.

21 THE COURT: There was evidence of that, I think.

22 MR. WESTLING: There was.

23 THE COURT: Well, I'm looking for a way, Mr. Andres,
24 that you-all could shorten this matter. You know, one way is
25 the accountant could be asked: Did you examine the records to

1 see whether any payments were made to Clothier A from Cyprus
2 bank accounts between this time period?

3 Yes, I did.

4 And how much was that?

5 And then you're done, right?

6 MR. ANDRES: Judge, I don't -- we're putting on a --
7 not an expert but a forensic accountant whose done a tremendous
8 amount of work. I think it's important the jury understand her
9 work. I'm not going through every transaction, even close.

10 THE COURT: Look, it isn't relevant if she spent her
11 life doing it. I'm not going to spend my life doing it,
12 neither is the jury. So the amount of work she's done is not
13 really relevant to us.

14 What I'm looking for is a means -- and you can
15 express your gratitude to her, and so can the Department of
16 Justice.

17 (Laughter.)

18 THE COURT: But we need to find a way to focus
19 sharply. I think your use of charts helps.

20 MR. ANDRES: Your Honor, I think the compromise is to
21 not go through every transaction, which was never our intent,
22 but it's important to show that the transactions, the domestic
23 transactions match the foreign transactions. And we're not
24 going to go through every one. We're absolutely not intending
25 to do that.

1 THE COURT: All right. I do remember some testimony,
2 I don't remember all of it in detail, but I think you did
3 elicit testimony that the clothing bills, the landscaping
4 bills, the other bills were paid from wire transfers from an
5 account in Cyprus. Was that elicited?

6 MR. ANDRES: A substantial number of those witnesses
7 said that they didn't know whose accounts those were.

8 THE COURT: Oh, I agree with you. You can show that.
9 But one chart shows that. In fact, that's 60 -- that's 61,
10 although, it doesn't say whose accounts that is, but that --
11 I'm sure you've got other charts that does that.

12 That was my goal, Mr. Andres, is not to repeat things
13 and not to -- and I think you share that view.

14 MR. ANDRES: I do, Your Honor. And I don't intend to
15 repeat things, but I don't think it's -- that means that the
16 subject matter itself won't come up, that is, where the
17 payments resulted. I'm not going to ask these people about --
18 I'm not going to ask this -- this agent -- or this accountant
19 about all of the transactions or even close to all of them.
20 I'm just going to ask for a summary so that she can establish
21 the work that she did.

22 I wasn't suggesting that we all be thankful for the
23 work that she did. I was suggesting that it's important that
24 the jury understand what she did so that the charts -- she can
25 explain her process with the charts. That's really all. And,

1 again, I don't think this is going to be voluminous. I
2 certainly don't think it's going to be cumulative.

3 THE COURT: Mr. Westling, have you looked at all of
4 these charts?

5 MR. WESTLING: I have, Your Honor, and I'll give the
6 Court an example. If you look at No. 72, I think this is an
7 example of a proper summary. It seems to include a summary of
8 all of the transactions that are foreign transactions that paid
9 vendors on one page as compared to the numerous charts that are
10 sort of vendor by vendor.

11 THE COURT: I'm looking at 72. All right. It does
12 it by year, payments to vendors, how much. What's missing,
13 however, Mr. Westling, is whether these vendors were paid by
14 wire transfers from Cyprus accounts.

15 MR. WESTLING: Well, I suspect, Your Honor, that the
16 testimony of the witness would be that's what she gathered to
17 come up with these numbers.

18 THE COURT: Well, another one-page chart could take
19 care of that. I think the better way to put it, Mr. Andres, is
20 you want -- it's not a matter of gratitude for all the work the
21 witness has done, but you want to impress on the jury that
22 there's no doubt about the path of this money.

23 I agree that you may do that. On the other hand, I
24 have to take into account the fact that they're not
25 disagreeing, they're not disputing it, and as a concession to

1 the shortness of life, we need to get it done. I take your
2 representation that you don't plan to go through it transaction
3 by transaction. I'm glad to hear that. I don't know that I'd
4 permit it, but in any event, I'm glad to hear that.

5 Have you gone through all these exhibits,
6 Mr. Westling?

7 MR. WESTLING: I have, Your Honor.

8 THE COURT: Now, which ones do you say are cumulative
9 and why?

10 MR. WESTLING: Well, I guess I would say that all of
11 the charts that relate to vendors, which include 65A, 65B, 65C,
12 65D, 65E, 65F, 65G, 65H, 65I, 65J, 65K, 65L, and 65M, which are
13 summaries of all of the transactions on a per-vendor basis,
14 which we've heard about from many folks on the stand or through
15 stipulations, are cumulative, Your Honor.

16 I will say, to be fair to my conversation with
17 Mr. Andres in trying to work this out, that we also note that
18 some of those we believe are proper summaries. I still think
19 they are cumulative, but there's a number that have five or
20 less than ten transactions, which I think Mr. Andres has said
21 he probably is not going to use in an effort to shorten the
22 witness. So we have made an effort to kind of work through
23 this.

24 THE COURT: Yes, and I appreciate that, but now we
25 need to bring it to a close and it's lunchtime. I take it you

1 were -- the two of you were under way in your effort to see if
2 you could focus this sharply.

3 MR. ANDRES: Judge, I wouldn't agree with that at
4 all. We've been focused sharply for a long time. These
5 exhibits have been with the defense for at least a month.
6 We're not delaying this trial. We're not spending any more
7 time --

8 THE COURT: I didn't say that you are delaying it. I
9 asked whether you were in the process with Mr. Westling of --
10 of seeing if you could reach agreement on these many exhibits.

11 MR. ANDRES: I think we're largely in agreement and
12 we're ready to proceed, with the exception, I don't -- we don't
13 agree that they're cumulative. We're not going to spend a lot
14 of time on them. But, again, it's important, and Your Honor
15 said previously that the charts that we tried to admit through
16 the vendors will more appropriately come through an FBI agent.
17 We've now done that, and we're now going to walk through this
18 in what I think would be an expeditious fashion.

19 And it's important to tie those specific receipts to
20 specific payments. It's not enough to simply do a chart with
21 all of the payments. You have to show the relationship between
22 the receipts and the payments.

23 The other thing, Your Honor, is --

24 THE COURT: If there's a dispute, you do. Otherwise,
25 you wouldn't.

1 MR. ANDRES: Well, Judge, again -- again, I apologize
2 if this is argumentative, but if the defense has not stipulated
3 to anything, which they haven't, not a single thing in terms of
4 these charts --

5 THE COURT: Do you want to stipulate to anything here
6 in these charts, Mr. Westling?

7 MR. WESTLING: I think we're willing to stipulate to
8 the information in Chart No. 72, Your Honor.

9 MR. ANDRES: Judge, I'm not -- I'm at a loss. We've
10 prepared our case. We're ready to go. We're not taking any
11 more time. You tell us constantly we need to focus sharply.
12 Here we are ready to go and the defense now wants to stipulate.
13 Who's going to write up a stipulation? It would be quicker to
14 put the witness on and get started.

15 THE COURT: He's stipulating to what -- the
16 information on 72; is that correct?

17 MR. WESTLING: That's correct, Your Honor.

18 THE COURT: All right. What we're going to do is
19 we're going to get the jury in. You can proceed. Do it
20 quickly. Every time an objection is made, I'm going to have
21 you at the bench, and neither side is going to profit from
22 that. I generally -- judges should be patient. They made a
23 mistake when they confirmed me.

24 (Laughter.)

25 THE COURT: I'm not very patient, so don't try my

Magionos - Direct

1537

1 patience either.

2 Bring the jury in.

3 And if the e-mail does not relate to the work that
4 she did, she's not going to read it.

5 MR. ANDRES: Judge, I'd like to address that after,
6 after lunch. I'm not going to -- in this session won't raise
7 that, but I'd like to address that at some point.

8 THE COURT: You've already submitted a brief on it.

9 MR. ANDRES: I understand, but I --

10 THE COURT: And the brief was two pages, said a Sixth
11 Circuit case, which I've gone and read. That's a throwaway
12 line.

13 (Jury present.)

14 THE COURT: All right. You may be seated.

15 All right. Call your next witness, Mr. Andres.

16 MR. ANDRES: Your Honor, the Government calls
17 Morgan Magionos, a forensic accountant from the FBI.

18 THE COURT: All right. Come forward and take the
19 oath, please, ma'am.

20 MORGAN MAGIONOS, GOVERNMENT'S WITNESS, SWORN

21 THE COURT: All right. You may proceed, Mr. Andres.

22 DIRECT EXAMINATION

23 BY MR. ANDRES:

24 Q. Please state your name and spell it for the record.

25 A. Morgan Magionos, M-a-g-i-o-n-o-s.

Magionos - Direct

1538

1 Q. Are you currently employed?

2 A. Yes.

3 Q. Where are you employed?

4 A. The FBI.

5 Q. And what's your title at the FBI?

6 A. Forensic accountant.

7 Q. Did you receive training from the FBI for this position?

8 A. I did.

9 Q. What training?

10 A. I attended a six-week training session where we studied
11 forensic accounting investigative techniques and legal studies.

12 Q. And how long have you been a forensic accountant at the
13 FBI?

14 A. Eight years.

15 Q. Have you been assigned to the investigation of
16 Paul Manafort?

17 A. Yes.

18 Q. And what was your role on that investigation?

19 A. The financial analysis.

20 Q. Did that involve tracing?

21 A. Yes.

22 Q. What is tracing?

23 A. Tracing is following a transaction from origination to the
24 ultimate destination.

25 Q. And over the course of your career in the FBI, how many

Magionos - Direct

1539

1 tracing and financial investigations have you been involved in?

2 A. Over 25 investigations.

3 Q. Can you briefly describe your educational background?

4 A. Yes. I have a Bachelor of Music in Cello Performance from
5 Manhattan School of Music, and I studied accounting at Portland
6 State University's postbaccalaureate program.

7 Q. With respect to the program at Portland State University,
8 can you describe what that entailed?

9 A. Yes. It entailed taking 68 credit hours of accounting and
10 business-related courses, such as economics, statistics, and
11 finance.

12 Q. And what was the purpose of that course?

13 A. It allowed me to take the credit hours necessary to sit
14 for the CPA exam.

15 Q. What is the CPA exam?

16 A. It's a four-part exam that is one of the steps in becoming
17 licensed as a CPA.

18 Q. During the time that you were in school at Portland State,
19 did you also work?

20 A. I did.

21 Q. Where did you work?

22 A. I worked for a local architecture and engineering firm.

23 Q. Okay. And did you also work at an accounting firm at some
24 point?

25 A. I did.

Magionos - Direct

1540

1 Q. What accounting firm?

2 A. Deloitte & Touche.

3 Q. What's Deloitte & Touche?

4 A. It's an international audit, tax, and consulting firm.

5 Q. And over what period of time did you work there?

6 A. From 2007 to 2010.

7 Q. And can you describe your responsibilities?

8 A. Yes. I audited the financial statements of for-profit and
9 not-for-profit entities.

10 Q. Did you hold any professional licenses or certificates?

11 A. I do.

12 Q. What license or certificates do you hold?

13 A. I'm a certified public accountant and a certified fraud
14 examiner.

15 Q. And with respect to the certified public accountant
16 license, what did you have to do to earn that license?

17 A. It requires educational experience, such as a bachelor's
18 degree and additional coursework in accounting. It requires
19 passing a four-part examination, at least one year of practical
20 experience, and then continuing professional education.

21 Q. And what year did you receive your CPA license?

22 A. 2009.

23 Q. Are you required to complete annual training to maintain
24 that license?

25 A. Yes.

Magionos - Direct

1541

1 Q. What does that involve?

2 A. It requires 40 hours of continuing professional education
3 every year.

4 Q. And have you maintained that license in good standing
5 since 2009?

6 A. Yes.

7 Q. You also testified that you're a certified fraud examiner.
8 What does it mean to be a certified fraud examiner?

9 A. The certification denotes experience in investigating and
10 preventing fraud.

11 Q. What -- what are the requirements?

12 A. It requires educational and professional experience as
13 well as taking a -- and passing a four-part examination.

14 Q. And what year did you obtain your certified fraud
15 certificate?

16 A. 2011.

17 Q. Are you required to complete annual training to maintain
18 that designation?

19 A. Yes.

20 Q. What -- what did that require?

21 A. It requires 20 hours of continuing professional education.

22 Q. And have you maintained that designation since 2011?

23 A. Yes.

24 Q. You testified that as part of the Manafort investigation
25 you did a financial analysis. What was the purpose of that

Magionos - Direct

1542

1 review?

2 A. The purpose of the review was to determine sources of
3 funds into foreign bank accounts and then also determine the
4 ultimate destination of transfers from those foreign bank
5 accounts.

6 Q. As part of that review, did you rely on particular
7 documents?

8 A. Yes.

9 Q. What documents?

10 A. I relied on documents from foreign -- foreign accounts as
11 well as domestic bank accounts, title records, vendor records,
12 business records, tax records, and accounting records.

13 MR. ANDRES: Your Honor, at this point, the
14 Government moves to admit Government Exhibit 66A, 66C, 66D,
15 66E, 66G, 67B, and 67C, all of which are foreign financial
16 records, and we move to admit them pursuant to Title 18, United
17 States Code, 3505.

18 MR. WESTLING: No objection, Your Honor.

19 THE COURT: Admitted.

20 (Government Exhibit Nos. 66A, 66C, 66D, 66E, 66G,
21 67B, and 67C were received in evidence.)

22 THE COURT: Next question.

23 BY MR. ANDRES:

24 Q. Let me ask you to take a look at Government Exhibit 63.
25 Can you tell me what that is?

Magionos - Direct

1543

1 A. This is a chart that lists foreign bank accounts.

2 Q. Okay. And what information did you rely on to create this
3 chart?

4 A. I relied on bank account applications and account opening
5 documents from Cyprus, St. Vincent and the Grenadines, and from
6 HSBC U.K.

7 Q. Okay. And how did you obtain those documents?

8 A. I obtained the records from Cyprus, St. Vincent and the
9 Grenadines through an MLAT, a mutual legal assistance treaty,
10 and the records from HSBC U.K. were provided via subpoena.

11 Q. And were the documents that you relied on in creating the
12 chart in Government Exhibit 63, were they voluminous?

13 A. Yes.

14 Q. Okay.

15 MR. ANDRES: Your Honor, the Government would -- let
16 me --

17 BY MR. ANDRES:

18 Q. Before I do that, let me ask you to turn to Government
19 Exhibit 66, 66C.

20 What's included in Government Exhibit 66C?

21 MR. ANDRES: Mr. Flood?

22 THE COURT SECURITY OFFICER: We have five volumes
23 here.

24 MR. ANDRES: Yeah.

25 THE COURT SECURITY OFFICER: Do you know which one

Magionos - Direct

1544

1 it's in?

2 MR. ANDRES: I believe it's in the first volume.

3 THE WITNESS: They're the MLAT records.

4 MR. ANDRES: 66C?

5 THE COURT: Is it a chart?

6 MR. ANDRES: No, it's the underlying records. Do you
7 have those?

8 THE WITNESS: Not up here.

9 THE COURT: Have they been admitted?

10 MR. ANDRES: I just admitted them, Your Honor.

11 THE COURT: All right. And what --

12 MR. ANDRES: Yes.

13 THE COURT: -- is the question before this witness?
14 What is the question before this witness?

15 MR. ANDRES: The question was to have her turn to the
16 exhibit that's been admitted.

17 THE COURT: What is the question you're going to put
18 to her?

19 MR. ANDRES: I'm going to ask her what the records --
20 what the document is.

21 THE COURT: All right. You may show that to the
22 witness. And let me state so the record is clear: There was
23 an objection as to cumulative. I'll overrule that objection,
24 but you may reassert it as to a specific matter.

25 MR. WESTLING: Thank you, Your Honor.

Magionos - Direct

1545

1 THE COURT: Proceed.

2 MR. ANDRES: If I may, I just want to make sure I
3 have the right exhibit, Your Honor. Can I have a moment?

4 THE COURT: Yes, you may -- you may.

5 MR. ANDRES: Your Honor, may Mr. Binder go and
6 facilitate looking for the exhibit in those boxes?

7 THE COURT: Yes, you may.

8 MR. ANDRES: Thank you.

9 THE COURT: Can you go to something else while he
10 does that?

11 MR. ANDRES: Sure.

12 BY MR. ANDRES:

13 Q. Government Exhibit -- in the course of the -- creating the
14 chart in 66C, did you rely on bank records from abroad?

15 A. I did.

16 Q. What bank records?

17 A. I relied on records provided by Cyprus, St. Vincent and
18 the Grenadines, and HSBC U.K.

19 Q. And did that include bank account records?

20 A. Yes.

21 Q. Okay. And did you also get records from the particular
22 banks?

23 A. I did.

24 Q. Okay. And did you include that information in 66C?

25 A. Yes, 63. Yes, I did.

Magionos - Direct

1546

1 Q. 63, yes. And --

2 THE COURT: You were saying 66. Which exhibit is it?

3 THE WITNESS: 63, sir.

4 THE COURT: Is that the summary that you prepared?

5 THE WITNESS: Yes.

6 THE COURT: And is that based on these exhibits that
7 Mr. Andres has asked you about?

8 THE WITNESS: Yes.

9 THE COURT: I've admitted the 63, haven't I,
10 Mr. Andres? I think I have.

11 MR. ANDRES: I didn't move to admit it yet, but I'll
12 do that now, Your Honor.

13 MR. WESTLING: No objection, Your Honor.

14 THE COURT: It's admitted.

15 (Government Exhibit No. 63 was received in evidence.)

16 MR. ANDRES: May I publish it, Your Honor?

17 THE COURT: Yes, you may.

18 MR. ANDRES: Okay.

19 BY MR. ANDRES:

20 Q. Can I ask you to turn to Government Exhibit 63, the chart?

21 You testified that you relied on overseas bank
22 records. Did that include records from HSBC?

23 A. Yes, it did.

24 Q. And what records came from HSBC?

25 A. A bank account opening document and wires and bank

Magionos - Direct

1547

1 statements for Pompolo Limited.

2 Q. Okay. Did you also rely on documents provided by
3 Mr. Manafort?

4 A. Yes, I did.

5 Q. And that was pursuant to a subpoena?

6 A. Yes.

7 Q. Okay. With respect to those documents from Mr. Manafort,
8 Government Exhibit 447A through Q, what did -- what are those
9 documents?

10 A. Those documents include account opening documents, bank
11 statements, and wires.

12 MR. ANDRES: The Government moves to admit Government
13 Exhibit 447A through Q.

14 MR. WESTLING: I think, assuming you're going to put
15 in the stipulation, no objection.

16 MR. ANDRES: Thank you.

17 THE COURT: I didn't hear that.

18 MR. WESTLING: There's a -- there's a related
19 stipulation, Your Honor, that I wanted to be ensured the
20 Government was going to be offering, and with that proviso, we
21 have no objection to the records.

22 THE COURT: What's the stipulation, Mr. Andres?

23 MR. ANDRES: The stipulation relates to those
24 records, Your Honor. I'm happy to offer it now, I just need to
25 find it. I'm sorry, I apologize.

Magionos - Direct

1548

1 It's Government Exhibit 456.

2 THE COURT: What's the number of the stipulation?

3 MR. ANDRES: 456. I'm going to hand up a copy to
4 Mr. Flood.

5 THE COURT: No, I have it here. I should have it
6 here.

7 No, I don't. Mine goes to 451, so hand that to the
8 court security officer.

9 MR. ANDRES: Thank you.

10 THE COURT: Ladies and gentlemen, the parties
11 stipulate that in August and September of 2017, the United
12 States served several federal subpoenas for records, including
13 foreign bank records on Paul Manafort and DMP International.

14 In response, on October 20, 2017, the documents in
15 Government Exhibits 447A through Q were produced, and the
16 parties stipulate that the documents, Exhibits 447A through Q,
17 are admissible as trial exhibits.

18 On October 20, 2017, a duly-appointed agent also made
19 the following representation to the Government concerning the
20 documents described in Exhibit 2 with respect to the offshore
21 bank account information that we produced -- the "we" means
22 that these entities have produced the documents -- produced.
23 These are accounts of DMP International.

24 Mr. Rick Gates had no control over, no financial
25 interest, and ownership interest in these accounts. He was not

Magionos - Direct

1549

1 a trustee as defined by U.S. law. He was merely an employee of
2 DMP International and only had authority to act as an employee
3 with respect to these accounts.

4 Anything further?

5 MR. ANDRES: Your Honor, the "we" references the
6 parties in No. 1, which is not just the entities. It's also
7 Mr. Manafort.

8 THE COURT: I see. Yes, that's correct.

9 MR. ANDRES: Thank you, Your Honor.

10 THE COURT: You may proceed. And 456 is admitted.

11 (Government Exhibit Nos. 447A thru 447Q and 456 were
12 received in evidence.)

13 MR. ANDRES: Thank you, Your Honor.

14 BY MR. ANDRES:

15 Q. Forensic Accountant Magionos, can you look at the chart in
16 Government Exhibit 63 and explain what that is?

17 A. Yes. This chart summarizes account opening documents as
18 provided by accounts in Cyprus, St. Vincent and the Grenadines,
19 and the United Kingdom. The first column lists the account
20 name and account number as well as the financial institution
21 where the account is located.

22 The second column lists the account opening date or
23 the balance forward date.

24 The third column lists the account close date or the
25 final transaction date.

Magionos - Direct

1550

1 The next column lists the beneficial owner listed on
2 the bank account application.

3 And then the last column lists the authorized signers
4 listed on the bank account application.

5 Q. And how many accounts are listed in this chart?

6 A. Thirty-one.

7 Q. Okay. And those charts -- those accounts, you received
8 information about those accounts through your investigation?

9 A. Yes.

10 Q. Okay. And listed on the accounts are the beneficial
11 owners. Where did that information come from?

12 A. That information came directly from the account opening
13 documents and bank account applications.

14 Q. Okay. And what denomination are the different accounts in
15 that you identify in your chart?

16 A. They're either in U.S. dollar, euro, or British pound.

17 Q. And how are you able to distinguish between those two
18 currencies?

19 THE COURT: There were three currencies.

20 THE WITNESS: It depended on the account number,
21 so --

22 THE COURT: She said three currencies.

23 MR. ANDRES: Yeah.

24 THE COURT: But that's all right.

25 Go ahead, Mr. Andres.

Magionos - Direct

1551

1 BY MR. ANDRES:

2 Q. How were you able to distinguish between those three
3 currencies?

4 A. It depended on the account number. The second digit for
5 the Cypriot accounts denoted either a 32 or an 11. 32 shows a
6 U.S. dollar account, the 11 shows a euro account.

7 Q. And without going through each account, can you tell us
8 the names -- so, for example, when you look at the entry in
9 No. 1, it says "Actinet"; is that correct?

10 A. Yes.

11 Q. And there's more than one account for Actinet?

12 A. Yes.

13 Q. How do you -- how can you explain that?

14 A. There were two accounts, a U.S. dollar account and a euro
15 account at Bank of Cyprus; and then there were two accounts at
16 Hellenic Bank, again, a U.S. dollar account and a euro account.

17 Q. Okay. And without going through each of the accounts in
18 terms of the banks and denomination, can you identify for the
19 jury the names of each of the entities that had bank accounts
20 that are in the chart in Government Exhibit 63?

21 A. You want me to read the names?

22 Q. Yes.

23 A. Actinet Trading Limited; Black Sea View Limited; Bletilla
24 Ventures Limited; Global Highway Limited; Leviathan Advisors
25 Limited; LOAV Advisors Limited; Lucicle Consultants Limited;

Magionos - Direct

1552

1 Marziola Holdings Limited; Olivenia Trading Limited; Peranova
2 Holdings Limited; Serangon Holdings Limited; Yiakora Ventures
3 Limited; Pompolo Limited; Global Endeavour, Inc.; and Jeunet
4 Limited.

5 Q. Okay. And when you look at those -- the names in those
6 accounts, did you compare them to the documents produced by
7 Mr. Manafort?

8 A. Yes.

9 Q. And what did you find?

10 A. I found that all of the accounts listed in this exhibit
11 were included in Mr. Manafort's production except for the
12 Peranova Holdings euro account and then the Pompolo Limited
13 account.

14 Q. Okay. And how were those different?

15 A. They just were not provided by Mr. Manafort.

16 Q. Okay. But you received documentation from overseas
17 relating to those entities?

18 A. I did.

19 Q. And with respect to the accounts in the chart, what
20 countries are those accounts located?

21 A. They're located in Cyprus, St. Vincent and the Grenadines,
22 and the United Kingdom.

23 Q. Okay. In Column No. 5, you have the beneficial owner
24 listed. Without going through each of the accounts, who were
25 the individuals that are identified as the beneficial owners?

Magionos - Direct

1553

1 A. It was either Mr. Manafort, Mr. Gates, or Mr. Kilimnik.

2 Q. Okay. And where did you determine that information from?

3 A. By reviewing the account opening documentation.

4 Q. Okay. And then in the final column, it's listed
5 authorized signatures listed on the bank account application.
6 Where did that information come from?

7 A. That information came from the bank account opening docs
8 that we received.

9 Q. And again, without going through each and every account,
10 who are the names listed on those -- on those accounts?

11 A. Either Mr. Manafort and Mr. Gates or a group of
12 individuals located in Cyprus: Eleni Chrysostomides,
13 Chrystalla Pitsilli Dekatris, Myrianthi Christou, Evelina
14 Georgiades, or Georgoula Mavrides.

15 Q. I'm not even going to try to pronounce those, but in the
16 course of your investigation, those individuals that you just
17 mentioned, did you understand that they were associated with a
18 particular entity?

19 A. Yes.

20 Q. What entity?

21 A. They were associated with Dr. Kypros Chrysostomides' law
22 firm.

23 Q. Is he also known as Dr. K?

24 A. Yes.

25 Q. Okay. And how did you decide what accounts to include in

Magionos - Direct

1554

1 your chart in Government Exhibit 63?

2 A. I included accounts that actually had transactional
3 activity or were relevant to the investigating --
4 investigation, meaning they had transfers into their accounts
5 from other foreign entities, and they made transfers to vendors
6 for real estate purchases to DMP International or Davis
7 Manafort Partners or Mr. Manafort, his family, and related
8 entities.

9 Q. Okay. And over what time period did you -- did that
10 relate to?

11 A. 2010 through 2014.

12 Q. Okay. You testified that you've gotten these records.
13 Can you identify now the banks that are listed in your chart?

14 A. Yes. The banks are Bank of Cyprus, Hellenic Bank, Loyal
15 Bank, and HSBC U.K.

16 Q. Okay. Can I ask you to look at the entry in No. 1 and 2
17 and identify who the beneficial owner is?

18 A. Yes. The beneficial owner is listed as Mr. Manafort, and
19 then as of January 21, 2013, Mr. Kilimnik.

20 Q. Okay. Can I ask you to take a look at Government
21 Exhibit 66D, which is in evidence, and tell me what that is?

22 A. This is an account opening document and bank account
23 application.

24 Q. Okay. And can you take a look at Government Exhibit 4385
25 and tell me what that is?

Magionos - Direct

1555

1 A. Yes. This shows the beneficial owner for Actinet Trading
2 Limited, and it shows Mr. Manafort as the beneficial owner.

3 Q. Okay. I'm sorry, who's listed as the beneficial owners?

4 A. Mr. Manafort.

5 Q. Okay. And can you turn to 4395 and tell me what that is?

6 A. This is a signature card.

7 Q. And who's listed on that document?

8 A. Eleni Chrysostomides, Chrystalla Pitsilli Dekatris, and
9 Myrianthi Christou.

10 Q. Can I ask you to turn to Government Exhibit -- to page
11 4401 of Government Exhibit 66D?

12 A. Okay.

13 MR. ANDRES: Your Honor, can I publish this document?

14 THE COURT: Is it admitted?

15 MR. ANDRES: Yes.

16 THE COURT: You may.

17 BY MR. ANDRES:

18 Q. Is there a page number listed on the bottom of there? The
19 Bates number is 4401?

20 A. Yes.

21 Q. What's the page number listed?

22 A. It's the last page.

23 Q. Okay. Okay. Can you tell me what was included in the
24 bank records that you received in Government Exhibit 66D at
25 4401?

Magionos - Direct

1556

1 A. Yes. This is a copy of Mr. Manafort's passport.

2 Q. And where did you find that document?

3 A. In the account opening documents.

4 Q. And where did those come from?

5 A. From Cyprus.

6 Q. Okay. You testified that with respect to the banks,
7 Hellenic Bank was one of the banks that provided documents.

8 Was there a correlation between the dates of the
9 first transaction and those records and the relevant dates at
10 the Bank of Cyprus?

11 A. Yes.

12 Q. Can you explain what that was?

13 A. So when the accounts at the Bank of Cyprus closed, soon
14 after, there were transfers from those accounts directly to
15 Hellenic Bank.

16 Q. Okay. And did you -- was there -- did you find that the
17 opening -- or the opening balance and the dates of the first
18 transaction or the opening dates of the records at Hellenic
19 Bank, that they matched up or there was some issue between
20 those?

21 A. As far as Hellenic Bank goes, they did not provide the
22 account opening date or closing date, like the bank of Cyprus
23 did, and as a result, I used the balance forward date that was
24 listed on the statements as the account opening date, and then
25 I used the final transaction date as the date of the account

Magionos - Direct

1557

1 closing.

2 Q. Okay.

3 THE COURT: When you say, "they did not provide,"
4 you're referring to the bank?

5 THE WITNESS: That's correct.

6 THE COURT: Next question.

7 BY MR. ANDRES:

8 Q. With respect to Item 7 on Government Exhibit 63, can you
9 tell me what that is?

10 A. This is a summary of the account opening documents for
11 Bletilla Ventures Limited.

12 Q. Okay. And with respect to those documents -- to that
13 account, can I ask you to look at Government Exhibit 66D and
14 turn to Page 4480?

15 Can you tell me what that is?

16 A. This is a page that lists the beneficial owner for
17 Bletilla Ventures Limited.

18 Q. Okay.

19 MR. ANDRES: May I publish that, Your Honor?

20 THE COURT: You may. It's been admitted, hasn't it?

21 MR. ANDRES: Yes.

22 BY MR. ANDRES:

23 Q. Do you see in the middle of the page, at the bottom, what
24 the number is?

25 A. It's 4480.

Magionos - Direct

1558

1 Q. It's -- not the Bates number, I'm sorry. The -- in the
2 middle of the bottom, there's a number that says 66D-page and
3 the page number. Do you not see that?

4 A. No.

5 MR. ANDRES: Okay. I'll move on, Your Honor.

6 BY MR. ANDRES:

7 Q. What is that document that you have?

8 A. This lists the beneficial owner for Bletilla Ventures
9 Limited.

10 Q. And what's the date of that?

11 A. It is February 1, 2012.

12 Q. Okay. Can I ask you to look at Entry 14 on your chart?

13 Can you tell me what that is?

14 A. This summarizes the account opening docs for LOAV Advisors
15 Limited.

16 Q. Okay. Can I ask you to look at Government Exhibit 66D and
17 the Bates No. 5105?

18 Can you tell me what that is?

19 A. Yes. This lists the beneficial owner and comes from the
20 bank account opening docs.

21 Q. Okay. And who's listed as the beneficial owner?

22 A. Mr. Gates and Mr. Manafort.

23 Q. Okay. And is that the information you relied on with
24 respect to creating the chart in Government Exhibit 63?

25 A. Yes.

Magionos - Direct

1559

1 Q. And what's the date of the document 5105?

2 A. The date is October 8, 2007.

3 Q. Okay. Can I ask you to look at the entries at 15 and 16?

4 Tell me what those are.

5 A. Yes. These summarize the account opening documents for
6 Lucicle Consultants Limited.

7 Q. Okay. And with respect to the signature cards for those
8 accounts, 15 and 16, can you take a look at Government
9 Exhibit 66D and Page 4248?

10 Tell me what that is.

11 A. Yes. This is a signature card for Lucicle Consultants
12 Limited.

13 Q. Okay. And can I ask you to turn to Page 4239?

14 What's included there?

15 A. It's a copy of Mr. Manafort's passport.

16 Q. Okay. And where did you receive that document?

17 A. From the account opening documents provided by Bank of
18 Cyprus.

19 Q. And what account was that related to?

20 A. Lucicle Consultants Limited.

21 Q. Okay. Can I ask you to take a look at the entry at
22 No. 20?

23 Can you tell me what that is?

24 A. This summarizes the bank account opening docs for Marziola
25 Holdings Limited.

Magionos - Direct

1560

1 Q. And you testified earlier that the individuals listed on
2 the column on the far right were associated with Dr. K. How
3 did you learn that?

4 A. Through the investigation, reviewing e-mails.

5 Q. Okay. And with regard to entry No. 26, Serangon Holdings,
6 where did the information in the chart come from as it related
7 to Government Exhibit -- with respect to No. 26?

8 A. It was from the bank account opening documents from Bank
9 of Cyprus.

10 Q. Okay. And is it fair to say that in the context of
11 reviewing these records, you found other instances where
12 Mr. Manafort's passport was included?

13 A. Yes.

14 Q. And that was produced as part of the account opening
15 documents?

16 A. Yes.

17 Q. Do you know generally when the date was that the -- that
18 the accounts in Cyprus was closed?

19 A. They were closed in 2013.

20 Q. Okay. And during the course of the investigation, did you
21 learn that Mr. Manafort was interviewed at some point?

22 A. Yes.

23 Q. And when did that interview take place?

24 A. In July of 2014.

25 Q. And did you also learn that Mr. Gates was interviewed at

Magionos - Direct

1561

1 some point?

2 A. Yes.

3 Q. And when was that?

4 A. In July of 2014.

5 Q. That was after the accounts in Cyprus were closed?

6 A. Yes.

7 THE COURT: When we finish with this exhibit, we'll
8 recess for lunch.

9 MR. ANDRES: Okay. Thank you, Judge. Just one other
10 question.

11 BY MR. ANDRES:

12 Q. You testified that Mr. Manafort produced certain documents
13 pursuant to a Title 31 subpoena; is that correct?

14 A. Yes.

15 MR. WESTLING: Your Honor, I just want to object. I
16 don't think that's what the stipulation says. I think it says
17 they were produced by DMP International.

18 MR. ANDRES: Your Honor, the stipulation, it
19 obviously stands for itself. I'll rephrase the question.

20 THE COURT: All right.

21 BY MR. ANDRES:

22 Q. There were documents produced by Mr. Manafort and his
23 entities; is that correct?

24 A. Yes.

25 Q. And you relied on those at some point?

Magionos - Direct

1562

1 A. Yes.

2 Q. And that involved -- or that included bank records from
3 Cyprus; is that correct?

4 A. That's correct.

5 Q. Do you know when Mr. Manafort made that production?

6 MR. WESTLING: Again, objection. Same objection,
7 Your Honor.

8 THE COURT: What's the objection?

9 MR. WESTLING: It's misstating what's in the
10 stipulation, which clearly states these were produced by DMP
11 International.

12 THE COURT: All right. Go on. I'll overrule the
13 objection. Answer the question.

14 BY MR. ANDRES:

15 Q. I'm just asking for the approximate date of the
16 production.

17 A. The date of the production was October 20, 2017.

18 THE COURT: And so far as you know from the
19 documents, was that production by DMP International?

20 THE WITNESS: I don't know.

21 THE COURT: All right. Ladies and gentlemen --
22 you're done now?

23 MR. ANDRES: Yes, Your Honor.

24 THE COURT: All right. Pass your books to the right.
25 The court security officer will collect them, maintain their

Magionos - Direct

1563

1 security. Remember to refrain from discussing the matter among
2 yourselves or with anyone or undertaking any investigation on
3 your own.

4 Your lunches should be there. I hope they are
5 adequate. You may follow the court security officer out.

6 (Jury out.)

7 THE COURT: All right. You may be seated for a
8 moment.

9 Mr. Westling, I think you are aware of -- oh, I beg
10 your pardon. Ms. Magionos, you -- did I pronounce your name
11 correctly?

12 THE WITNESS: Yes.

13 THE COURT: You may take the luncheon recess.

14 THE WITNESS: Thank you.

15 THE COURT: You may step down. During your recess,
16 you may not discuss this -- your testimony with anyone,
17 including lawyers.

18 THE WITNESS: Okay. Thank you.

19 THE COURT: You may depart.

20 (Witness stood down.)

21 THE COURT: Mr. Westling, you have the benefit of
22 receiving, I think, notice of what exhibits the Government
23 intends to offer through this witness. Am I correct?

24 MR. WESTLING: That's correct, Your Honor.

25 THE COURT: If you have any objections to those

1 exhibits, I want you to disclose to Mr. -- well, yes, I want
2 you to disclose to Mr. Andres what your objection is to a
3 specific exhibit, see if you can reach accommodation. If not,
4 I'll rule on it, but we want to move along fairly expeditiously
5 if we can.

6 Is that clear?

7 MR. WESTLING: Yes, Your Honor.

8 THE COURT: And the other thing is I don't know,
9 Mr. Andres, whether you intend to have her read e-mails. She
10 may read admissible e-mails if they pertain to her
11 investigation, but you may not read -- have her read e-mails
12 that she didn't use, if they weren't part of her -- that's not
13 the way to present evidence. Am I clear?

14 MR. ANDRES: You are, Your Honor. I just -- just for
15 the record, I understand your ruling. It's the Government's
16 position that agents can read evidence that's admitted, so our
17 basis for asking that the other --

18 THE COURT: She's not even an agent.

19 MR. ANDRES: If what Your Honor is suggesting is
20 that --

21 THE COURT: I'm suggesting that if you want -- I told
22 you that it's admissible, and I don't know whether you've
23 already offered it, but it would be admitted, if it's an
24 admission and there's no other objection to it.

25 What I find problematic, troublesome is that you are

1 going to have a witness read it, a witness who didn't use it in
2 her investigation, and she's just reading something that's in
3 the record. You do that in your closing, if you want to, after
4 I admit it.

5 MR. ANDRES: Understood, Judge, but does that mean
6 that an agent who was involved in those aspects of the
7 investigation could read that or --

8 THE COURT: Yes, it does.

9 MR. ANDRES: Okay. Thank you. That's very helpful,
10 Judge.

11 THE COURT: But you can't get somebody who has
12 nothing to do with it to sit there and read it.

13 MR. ANDRES: I completely understand, Your Honor.

14 THE COURT: And how in the world could a defendant
15 cross-examine this? It's very difficult to anyone, but that
16 would make it impossible if the witness would simply say, "I
17 don't know. I was just given this to read."

18 MR. ANDRES: Thank you, Your Honor.

19 THE COURT: All right. We will, we will recess
20 until -- let's make it 1:35, and then we'll continue.

21 How much more do you anticipate, Mr. Andres?

22 MR. ANDRES: At least another hour, Your Honor.

23 THE COURT: I thought we were shortening it.

24 MR. ANDRES: Well, we were. We started -- I don't
25 think I've been speaking for much longer than 15 or 20 minutes,

1 but I'm sure there's a record of that somewhere.

2 THE COURT: I'm not limiting it. I'm merely asking
3 that you make an effort to shorten it even more if you can.

4 MR. ANDRES: Enjoy your lunch, Judge.

5 THE COURT: Court stands in recess.

6 (Recess from 12:40 p.m., until 1:35 p.m.)

7

8 CERTIFICATE OF THE REPORTER

9 I certify that the foregoing is a correct transcript of
10 the record of proceedings in the above-entitled matter.

11

12

13

/s/

Anneliese J. Thomson

14

15

16

17

18

19

20

21

22

23

24

25